



ANNUAL REPORT 2015-16



BIRLA ERICSSON OPTICAL LIMITED

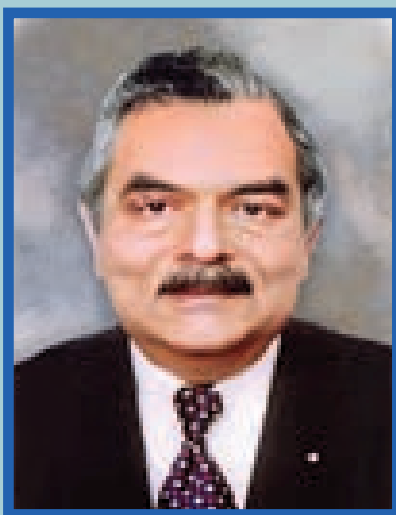
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Syt. Madhav Prasadji Birla
(1918-1990)



Smt. Priyamvadaji Birla
(1928-2004)



Syt. Rajendra Singhji Lodha
(1942-2008)

Our source of Inspiration



BIRLA ERICSSON OPTICAL LIMITED

ANNUAL REPORT 2015-16

BOARD OF DIRECTORS

MR. HARSH V. LODHA
MR. D.R. BANSAL
MR. R.C. TAPURIAH
DR. ARAVIND SRINIVASAN
MR. ARUN KISHORE
MR. K. RAGHURAMAN
MRS. ARCHANA CAPOOR

Chairman

AUDIT COMMITTEE

MR. R.C.TAPURIAH
DR. ARAVIND SRINIVASAN
MR. ARUN KISHORE
MR. K.RAGHURAMAN

Chairman

MANAGER & CHIEF EXECUTIVE OFFICER

MR. R.SRIDHARAN

AUDITORS

V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS
NEW DELHI

SOLICITORS

NMS & COMPANY
NEW DELHI

BANKERS

STATE BANK OF INDIA
STATE BANK OF PATIALA
IDBI BANK LTD.
HDFC BANK LTD.

REGISTERED OFFICE

UDYOG VIHAR,
P.O. CHORHATA,
REWA - 486 006 (M.P.), INDIA

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NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of Birla Ericsson Optical Limited will be held on Friday, August 19, 2016 at 10.00 A.M. at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa (M.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2016 including audited Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2016.
3. To appoint a Director in place of Mr.D.R. Bansal (DIN: 00050612), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To ratify appointment of Messrs V. Sankar Aiyar & Co., Chartered Accountants, (Registration No. 109208W) as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be decided by the Board of Directors of the Company from time to time.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED that in supersession of the special resolution passed through Postal Ballot on January 14, 2015, save as respect things done or omitted to be done before such supersession, pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors, subject to such other approvals, consent, sanctions as may be necessary including from banks and financial institutions, if any, and all such other statutory approvals, if any, for:

 - (i) giving any loan / revolving loans / advances / deposit to any person or other body corporate;
 - (ii) giving any guarantee and/or providing any security (including by way of pledge of shares or other securities held by the Company in any other body corporate) in connection with a loan made by any other person to or to any other person by any body corporate, from time to time in connection with a loan made by any other body corporate or person and /or;
 - (iii) acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate;

upto an amount, the aggregate outstanding of which should not exceed at any given time Rs. 2500 Crore (Rupees Two Thousand Five Hundred Crore only).

FURTHER RESOLVED that the aforesaid loans/advances/deposits /guarantees/securities etc. be made/given by the Company out of the share capital, internal accruals, loans raised or debentures issued and/or to be raised/issued by the Company and such other means.

FURTHER RESOLVED that for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised to negotiate and decide, settle any question, difficulty or doubt arising out of and incidental thereto, from time to time and to sign and execute all deeds, applications, documents and writings that may be required on behalf of the Company and give such directions as it may, in its absolute discretion, deem expedient, desirable and necessary including delegating all or any of the powers herein, to any Committee of Directors or to any Director(s) or any officer(s) of the Company, that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Management and Administration) Rules, 2014, the approval of the members of the Company be and is hereby accorded to keep, maintain and preserve Register of Members, Index of Members, Register of renewed and duplicate shares and/or any other Register required to be maintained under Section 88 of the Companies Act, 2013 and rules made thereunder, at the Office of the Registrar and Share Transfer Agent of the Company viz. Messrs Link Intime India Private Limited, presently situated at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 or at any other place within the local limits of Mumbai (Maharashtra) under the custody of a person so authorised by the Board of Directors in this regard, instead of keeping, maintaining and preserving the said Registers/Index of Members at the Registered Office of the Company.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to sign and submit such documents or forms or intimation, etc. and to do all such acts, deeds, matters and things as it may, in its sole discretion deem necessary, proper, desirable to give effect to the above resolution.”
7. To approve the change of name of the Company from “Birla Ericsson Optical Limited” to “Birla Cable Limited” and consequent amendment to Memorandum of Association and Articles of Association and other documents of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:



"RESOLVED that pursuant to the provisions of Section 4,13,14,15 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, stock exchanges where equity shares of the Company are listed and all other statutory/regulatory authorities, if any, as may be required for the purpose, consent of the members be and is hereby accorded for changing the name of the Company from "Birla Ericsson Optical Limited" to "Birla Cable Limited".

FURTHER RESOLVED that any one of the Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution."

8. To alter the Memorandum of Association of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that pursuant to the provisions of Section 13 and other applicable provision(s), if any, of the Companies Act, 2013 and relevant rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, stock exchanges where equity shares of the Company are listed and all other statutory/regulatory authorities, if so required, the consent of members be and is hereby accorded for following alteration(s) in the Memorandum of Association of the Company :

- (a) The existing Clause I of Memorandum of Association be deleted and in lieu thereof the following new Clause I be substituted :
"The name of the Company is BIRLA CABLE LIMITED".
- (b) The existing Clause III (B) (6) of the Memorandum of Association of the Company be deleted.
- (c) The existing Clause III (B)(17) of Memorandum of Association be deleted and in lieu thereof the following new Clause III (B)(17) be substituted:
 - 17. Subject to the provisions of Section 73 of the Companies Act, 2013 and other applicable provisions of the Act and directives of Reserve Bank of India to receive money on deposit or loan and borrow or raise or secure the payment of moneys in such manner as the Company shall think fit and in particular by the issue of debentures, perpetual or otherwise, and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the Company's properties or assets, movable or immovable, both present and future including its uncalled capital and also by a similar mortgage or lien, to secure and guarantee the performance by the Company or any other person or Company, of any obligation undertaken by the Company as the case may be and to purchase or pay off any such securities.
- (d) The existing Clause III (B)(20) of Memorandum of Association be deleted and in lieu thereof the following new Clause III (B)(20) be substituted:
 - 20. Subject to the provisions of Section 40 of the Companies Act, 2013, to pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital including brokerage and commission for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
- (e) The existing Clause III (B)(35) of Memorandum of Association be deleted and in lieu thereof the following new Clause III (B)(35) be substituted:
 - 35. Subject to the provisions of the Section 52 of the Companies Act, 2013, to place to reserve, or to issue bonus shares among the members or otherwise to apply, as the Company may from time to time think fit, any moneys belonging to the Company including those received by way of premium on shares or debentures issued by the Company at a premium and moneys arising from the issue by the Company of forfeited shares.
- (f) The word "the Companies Act, 1956" appearing in the existing Clause V of the Memorandum of Association of the Company be substituted with the word "the Companies Act, 2013".

FURTHER RESOLVED that any one of the Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution."

9. To adopt a new set of Articles of Association of the Company in conformity with the provisions of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that pursuant to the provisions of Section 14 and other applicable provision(s), if any, of the Companies Act, 2013 and relevant rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded for adoption of a new set of Articles of Association of the Company based on Table- F of Schedule I of the Companies Act, 2013 in place of the existing Articles of Association of the Company.

FURTHER RESOLVED that any one of the Directors and/or Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and such other permissions as may be necessary, the payment of remuneration of Rs.50,000/- (Rupees Fifty Thousand Only) with applicable Service Tax plus reimbursement of out of pocket expenses at actual to Messrs D. Sabyasachi & Co., Cost



Accountants who were appointed by the Board of Directors of the Company as "Cost Auditors" to conduct the audit of the cost records maintained by the Company in accordance with the Companies (Cost Records and Audit) Rules, 2014, as amended, for the financial year ending March 31, 2017, be and is hereby ratified and approved.

FURTHER RESOLVED that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:
Udyog Vihar,
P.O.Chorhata,
Rewa - 486 006 (M.P.)
July 14, 2016

By Order of the Board of Directors
for Birla Ericsson Optical Limited

Somesh Laddha
Company Secretary

NOTES FOR MEMBERS' ATTENTION

1. The explanatory statements setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received in the enclosed Proxy Form of the Registered Office of the Company not less than forty-eight hours before the time fixed for the Meeting, i.e. by 10.00 a.m. on August 17, 2016.

A person shall not act as Proxy on behalf of members for more than Fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy form is annexed herewith.
3. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. Corporate members intending to attend Annual General Meeting through their authorised representatives are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting. Members who hold shares in de-materialized form are requested to bring their DP I.D. and client I.D. No.(s) for easier identification of attendance at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All relevant documents referred to in the accompanying Notice and the Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays, upto and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting (AGM).
5. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Friday, August 12, 2016 to Friday, August 19, 2016 (both days inclusive) for the purpose of determining the names of members eligible for final dividend on equity shares (if declared) and the Meeting.
6. The dividend on Equity Shares, if approved at the Annual General Meeting, will be credited / despatched between August 19, 2016 and September 17, 2016 to those members whose names shall appear on the Company's Register of Members on August 11, 2016. In respect of the shares held in dematerialised form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
7. Messrs Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 continue to act in the capacity of Registrar and Share Transfer Agents for physical shares of the Company. Messrs Link Intime India Pvt. Ltd. is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondences, including dividend matters, to the said Registrar and Share Transfer Agents.
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Registrar and Share Transfer Agents.
9. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of:
 - (i) the change in the residential status on return to India for permanent Settlement.
 - (ii) the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.



10. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. The Company has connectivity from the NSDL and CDSL and equity shares of the Company may be held in the electronic form with any Depository Participant (DP) with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE800A01015. In case of any query/difficulty in any matter relating thereto may be addressed to the Registrar and Share Transfer Agents.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agents.
12. This Notice of the Meeting (AGM) along with the Attendance Slip, Proxy Form, Route map of the venue of the Meeting and the Annual Report & Accounts 2015-16 are being sent through electronic mode to all the members whose e-mail addresses (IDs) are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode. Members who wish to update or register their e-mail addresses with the Company or with the Depositories, may use the Form for updation/registration. The Form can also be downloaded from the Company's website: www.birlaericsson.com under the section 'Investor Relation'.
13. Additional information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Meeting is furnished and forms a part of the Notice. The Director has furnished the requisite consent/declaration for his re-appointment.
14. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.
15. Members who have so far not encashed their dividend warrants for the year ended March 31, 2014 onwards, are therefore requested immediately to write to the Company or Company's Registrar and Share Transfer Agents, viz. Messrs Link Intime India Pvt. Ltd. for issuance of demand draft in lieu of unencashed/unclaimed Dividend Warrant, if any.
16. The Company was not required to transfer the unclaimed dividends during the financial year 2015-16 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company.
17. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility of voting and remote e-voting on resolutions proposed to be considered at the Annual General Meeting. The facility of casting the votes by the Members using an electronic voting system for a place other than venue of the Meeting ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The e-voting rights of the shareholders/beneficial owners shall be reckoned on the Equity Share held by them as on August 11, 2016 (Record Date).
18. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on August 15, 2016 at 9.00 a.m. and ends on August 18, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) August 11, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).



- (viii) After entering these details appropriately, click on "SUBMIT" tab.
 - (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN for Birla Ericsson Optical Limited on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xviii) Note for Non – Individual Shareholders and Custodians
 - (a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - (b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - (c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - (d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - (e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
19. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. August 11, 2016.
20. The Company has appointed Mr. Rajesh Kumar Mishra, Practicing Company Secretary or failing him Mr. R.S.Bajaj, Practicing Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
21. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
22. The results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website www.birlaericsson.com and on the website of CDSL within 48 (forty eight) hours of passing of the resolutions and communicated to the Stock Exchanges where the equity shares of the Company are listed viz. BSE Ltd. and The National Stock Exchange of India Ltd.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice dated July 14, 2016:

Item No. 5

The members of the Company through postal ballot accorded its approval on January 14, 2015 by way of a special resolution under Section 186 of the Companies Act, 2013 to (a) give any loan to any person or other body corporate ; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, upto an amount not exceeding Rs.1500 Crores (Rupees One Thousand Five Hundred Crores only).

As a measure of achieving greater financial flexibility and to enable optimal financing structure, the permission of members is sought under Section 186 of the Companies Act, 2013 to enhance the powers to the Board of Directors from Rs.1500 Crores (Rupees One Thousand Five Hundred Crores only)



to Rs.2500 Crores (Rupees Two Thousand Five Hundred Crores only) for giving any loan or guarantee or providing security in connection with a loan, to any person or other body corporate or to make investment securities of any other body corporate.

The Loan(s), advances, guarantee(s), securities and investment(s) as the case may be, will be made/given in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

The aforesaid loans/advances/guarantees/security(ies) etc. may be made/given by the Company out of the share capital, internal accruals, or borrowings or in such other manner and in such proportion as the Board thinks appropriate, in one or more tranches, provided that in case of loans or inter corporate deposits, the interest rate shall not be lower than the prevailing bank rate or such other rate as may be prescribed by relevant authorities from time to time.

The proposed Special Resolution as set out in Item No.5 of the Notice is enabling in nature for any further loan/investment/guarantee/ security, to be made or given to bodies corporate/to any Banks, Financial Institutions or any other person as per the provisions of the Companies Act, 2013 and the Board of Directors of the Company at the Board Meeting would take the appropriate decisions in this regard at the appropriate times.

None of the Directors/Key Managerial Personnel of the Company /their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 5 of the accompanying Notice.

The Board commends the Special Resolution set out at Item no. 5 of the Notice for approval by the members.

Item No. 6

As per the provisions of Section 94 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Management and Administration) Rules, 2014, the Register of Members and Index of Members, etc. are required to be maintained at the registered office of the Company unless a Special Resolution is passed in a general meeting authorising the keeping of the Registers and Index at any other place in India in which more than one-tenth of the total members entered in the Register of Members reside and the Registrar of Companies has been given a copy of the proposed Special Resolution in advance to this effect.

Based on the geographic spread of the present shareholders base of the Company, it is ascertained that more than one-tenth of the total number of members entered in the Register of Members of the Company reside or having registered addresses at Mumbai thereby providing an option to the Company to keep the Register of Members, Index of Members and all other Registers pursuant to Section 88 at Mumbai instead of the Registered Office of the Company. In view of the above, as a measure of prompt service and facilitation of convenience to the Members of the Company, it is considered desirable to keep, maintain and preserve Register of Members and Index of Members, etc. at office of Registrar and Share Transfer Agent of the Company viz. Messrs Link Intime India Private Limited, presently situated at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 or at any other place within the local limits of Mumbai (Maharashtra). A copy of the proposed Special Resolution as set out at Item No.6 is being forwarded in advance to the Registrar of Companies, Madhya Pradesh, Gwalior.

None of the Directors/Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 6 of the accompanying Notice.

The Board therefore commends the Special Resolution set out at Item no. 6 of the accompanying Notice for approval of the Members of the Company.

Item No. 7, 8 and 9

Birla Ericsson Optical Limited ('BEOL') was incorporated on 30th June, 1992 as a joint venture company in pursuance to Joint Venture Agreement ('JVA') dated 27th May, 1992, entered into amongst Ericsson Cables AB (now known as Ericsson Network Technologies AB, Sweden) ('ENT') on one part and Universal Cables Limited ('UCL') and Vindhya Telelinks Limited ('VTL') on the other part (collectively referred as Indian Venturers). ENT with a view to exit from non-core manufacturing activities of Cables as a measure of overall corporate restructuring being implemented in Ericsson Group globally has executed a Share Purchase Agreement ('SPA') for transfer/sale of its entire shareholding in the Company i.e. 82,50,000 fully paid-up equity shares of Rs. 10/- each (comprising 27.50% of total shareholding of the Company) by way of inter se transfer to the Indian Venturers and/ or other Promoters / Promoter group persons/ entities of the Company as designated by the Indian Venturers. Subject to consummation of all conditions stipulated in the SPA, the JVA and other related agreements shall stand dissolved/rescinded and ENT shall cease to have any rights, duties, obligations or liabilities under the said agreements, either as a Promoter/Shareholder/Technical Collaborator of the Company.

Consequent to aforesaid, the approval of members is sought by way of a Special Resolution to alter the Memorandum of Association of the Company by (i) changing the name of the Company in Clause I from "Birla Ericsson Optical Limited" to "Birla Cable Limited"; (ii) to delete the exiting Clause III (B) (6) and (iii) to substitute the existing Clause III (B)(17) with new Clause III (B)(17); (iv) to substitute the existing Clause III (B)(20) with new Clause III (B) (20); (v) to substitute the existing Clause III (B)(35) with new Clause III (B)(35) (vi) to substitute the word "the Companies Act, 1956" with "the Companies Act, 2013" in Clause V of the Memorandum of Association. The existing Articles of Association the Company, based on the Companies Act, 1956 are no longer in conformity with the Companies Act, 2013. The approval of members is sought by way of a Special Resolution to adopt a new set of Articles of Association of the Company based on Table 'F' of Schedule I of the Companies Act, 2013 in place of the existing Articles of Association of the Company.

The proposed draft of the 'Memorandum of Association' and 'Articles of Association' are being uploaded on the Company's website i.e. www.birlaericsson.com for perusal by the Members and is available for inspection at the Registered Office of the Company during business hours on all working days (except Saturdays, Sundays and Public Holidays) from 11:00 A.M.to 1:00 P.M. including and upto the date of the meeting.



None of the Directors/Key Managerial Personnel of the Company /their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution(s) set out at Item no. 7, 8 and 9 of the accompanying Notice.

The Board commends the Special Resolution(s) set out at Item no. 7, 8 and 9 of the Notice for approval by the members.

Item No. 10

Messrs D. Sabyasachi & Co., Cost Accountants, were appointed as Cost Auditors for the year ending March 31, 2017 by the Board of Directors on the recommendation of the Audit Committee at a remuneration of Rs.50,000/- plus Service Tax as applicable thereon and reimbursement of travelling and other incidental expenses that may be incurred for the purpose to audit the cost records maintained by the Company in accordance with the Companies (Cost Records and Audit) Rules, as amended.

As per Rule 14 of The Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors as approved by the Board is required to be ratified subsequently by the Members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No.10 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors/Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 10 of the accompanying Notice.

The Board commends the Ordinary Resolution set out at Item no. 10 of the Notice for approval by the members.

Details of Directors seeking re-appointment in the ensuing Annual General Meeting scheduled to be held on August 19, 2016:-

Name of Director	Mr.D.R. Bansal
Date of Birth	01.08.1939
Age	77 Years
Date of Appointment	04.05.2012
Qualification & Experience	Mr. D.R. Bansal is a Post Graduate from Birla Institute of Technology and Science (BITS), Pilani. He possesses rich and varied experience of over 53 years in various facets of cable and other industries including in the field of administration, production and marketing. His strength also includes strong relationship management, international alliances/tie ups and business development. He is actively associated with various cable industry forums in India and abroad and also served at the helm of all renowned power & telecommunication cables industry association(s) in India for several years.
Number of Shares held in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	None
Number of Board meeting attended during the financial year 2015-16	3
List of outside Directorships held*	Hindustan Gum and Chemicals Ltd. Vindhya Telelinks Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Member – Stakeholders Relationship Committee
Chairman/Member of the Committee of the Board of Directors of other Public Companies*	Member – Stakeholders Relationship Committee of Vindhya Telelinks Ltd.

* Number of other Directorships held by the Director, as mentioned above, excludes Directorships in private limited companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and LLP's besides trustees/membership of Managing Committees of various trusts and other bodies/chambers and are based on the latest declarations received from the Director. The details of Committee Membership/ Chairmanship is in accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and reflect the Membership/Chairmanship of the Audit Committee and Stakeholder Relationships Committee alone of all other public limited companies.

Registered Office:
Udyog Vihar,
P.O.Chorhata,
Rewa - 486 006 (M.P.)
July 14, 2016

By Order of the Board of Directors
for Birla Ericsson Optical Limited

Somesh Laddha
Company Secretary



Directors' Report

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their Twenty Fourth Annual Report, together with the Audited Financial Statements of the Company for the year ended March 31, 2016.

SUMMARY OF FINANCIAL RESULTS & STATE OF COMPANY'S AFFAIRS

	2015-16 (Rs. in lacs)	2014-15 (Rs. in lacs)
Revenue from operations (gross)	27314.58	28914.00
Other income	266.29	372.74
	27580.87	29286.74
The year's working shows a -		
Profit before Depreciation Exceptional Item and Tax	2253.13	2444.40
Less : Depreciation and Amortisation Expense	717.01	597.52
: Exceptional Item	477.52	-
Profit before Tax	1058.60	1846.88
Less : Tax Expense/(Credit):		
- Current Tax/Minimum Alternate Tax (MAT)	65.60	565.28
(Net of MAT Credit Entitlement, if any)		
- Deferred Tax charge	145.00	32.00
Net Profit for the year	848.00	1249.60

GENERAL & CORPORATE MATTERS

During the year under review, the Company's revenue from operations decreased to Rs.27314.58 lacs from Rs.28914.00 lacs in the previous year (a decrease of about 5.53%). The decline in sales was mainly because of non-release of orders by Bharat Broadband Network Ltd.(BBNL) and less than expected orders received from other customers. The profit (before depreciation, exceptional item and tax) for the year decreased to Rs.2253.13 lacs as against Rs.2444.40 lacs in the previous year. The slight fall in profit was mainly due to decrease in turnover during the year under review.

Despite non-release of orders by BBNL, the coming years look to be promising as the second phase of the Optical Fibre Cable roll-out is expected to take place soon, as bulk cable orders are going to be released. This will definitely help the company to show good performance by way of supplying optical fibre cables in high volumes.

Although there is a marginal decrease in revenue, as compared to the previous year, the Company has developed innovative Optical Fibre Cable products for FTTH (Fibre-to-the-Home) segment and supplying these micro cables to various customers both in domestic and export markets. As the broadband connectivity for the masses, is the need of the hour, it is being catered to by not only telecom operators but also by various Internet Service Providers. This trend is well acknowledged by the Company and supplies of structured copper cable products and solutions have picked up and good increase in market share is achieved.

The penetration of smartphones in India is seeing a huge surge, as the masses are using these for all their daily needs and India is going to be the biggest user of smartphones in the world by 2018. As data is consumed in a big way by the usage of smartphones, fibre is only medium which can provide huge bandwidth requirements at high speed based on the latest 3G and 4G networks. All telecom service providers are augmenting their data delivery capabilities especially meant for high speed applications using optical fibre cables across their entire telecom network. The Company is well positioned to reap the benefits by way of offering innovative and cost effective optical fibre cable solutions suiting to the varied requirements of all telecom service providers, steps for which are taken at the plant level by continuous improvement drives.

As the hunger for data is a never ending phenomenon now-a-days, the old copper cable networks are getting replaced by optical fibre cables and it is being done on a continuous basis by all the telecom operators in India. Even power utility and energy companies have already started using optical fibre cables based on advanced technology platforms with customized designs of optical fibre cables. As the Company is very well prepared to address these requirements using its strong R & D activities, the growth opportunities are brighter and it will help the Company to generate more traction using this development.

Export segment is picking up very well as the company is able to cater to the varied requirements of all its customers by way of using innovative process technologies and at the same time cost competitive as well. This will greatly enhance the visibility of the Company in the global market and further drive up the exports which are already doing well.

DIVIDEND

After considering the Company's profitability, free cash flow and overall financial performance, the Board of Directors of the Company is pleased to recommend a Dividend of Re.1/- (previous year Re.1/-) per equity share of face value Rs.10/- each (i.e.10%) for the financial year ended on March 31, 2016. The distribution of Dividend on equity shares, if approved by the Members at the ensuing Annual General Meeting, will result in payout of Rs.300.00 lacs excluding Tax on Dividend and Surcharge/Education Cess thereon.

DEPOSITS/FINANCE

Your Company has not accepted any public deposits during the year within the meaning of Section(s) 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.



Your Company continued to optimise bank borrowings during the year by focusing on cash flows and working capital management. By availing alternate funding options like issuance of Buyers Credit and Supplier's Credit, your Company ensured efficiency in its borrowing costs.

CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis, Report on Corporate Governance and a certification by the Chief Executive Officer (CEO) confirming compliance by all the Board Members and Senior Management Personnel with Company's Code of Conduct and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As a part of its initiative under Corporate Social Responsibility (CSR), the Company has undertaken CSR activities in the areas of (i) promoting education and employment enhancing skills; (ii) ensuring environment sustainability "green belt development" and (iii) conservation of natural resources, in the area where the Company operates. These activities are largely in accordance with Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Company's CSR Policy. The CSR activities during the year were implemented through Madhav Prasad Priyamvada Birla Apex Charitable Trust, a registered trust under Section 12A of the Income Tax Act, 1961.

The Annual Report on CSR activities is given in Annexure-I, which is attached hereto and forms a part of the Directors' Report. The Corporate Social Responsibility Policy of the Company is available on the website of the Company i.e. www.birlaericsson.com.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 :

- that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL CONTROL SYSTEMS

The Company's system of financial and compliance controls with reference to the financial statements and risk management is embedded in the business process by which the Company pursues its objectives. Additionally, the Audit Committee and the Board of Directors assess the implementation of risk management and risk mitigation measures through their review of potential risks which could negatively impact the operations, the proposed budget and plan, the Company's strategic framework besides inherent risks associated with the products/goods dealt with by the Company. Your Company's approach to address business risks is comprehensive and includes periodic review of such risks and a framework for mitigating and reporting mechanism of such risks. In the view of the Board of Directors, there are no material risks, which may threaten the existence of the Company.

The Board of Directors of the Company has laid down the policies and procedures for internal financial controls to be followed by the Company for ensuring the orderly and efficient conduct of its business, in order to achieve the strategic, operational and other objectives over a long period and that its exposure to risks are within acceptable limits decided by the Board. In addition, the policies and procedures have been designed with an intent to ensure safeguarding of Company's assets, the prevention and detection of frauds and errors, the accuracy in completeness of the accounting records and the timely preparation of reliable financial information.

The management is committed to ensure effective internal financial controls environment, which provides assurance on the efficiency of its business operations coupled with adherence to its established policies, safety/security of its assets besides orderly and legitimate conduct of Company's business in the circumstances, which may reasonably be foreseen. The Company has defined organisation structure, authority levels delegated powers, internal procedures, rules and guidelines for conducting business transactions. The Company's system and process relating to internal controls and procedures for financial reporting have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India, the Companies Act, 2013 and rules framed thereunder and all other applicable regulatory / statutory guidelines, etc. for disclosure with reference to financial statements.

Your Company's internal control systems are supplemented by an extensive program of internal audit by an independent firm of Chartered Accountants. Internal audits are conducted at regular intervals and a summary of the observations and



recommendations of such audits are placed before the Audit Committee. The Internal Auditors, the Audit Committee as well as the Board of Directors conduct an evaluation of the adequacy and effectiveness of the system of internal financial controls system on an ongoing basis.

INDUSTRIAL RELATIONS AND SAFETY

Industrial relations remained cordial throughout the year. Your Directors recognize and appreciate the sincere and hard work, loyalty, dedicated efforts and contribution of all the employees in the growth and performance of the Company during the year.

The Company continues to accord a very high priority to both industrial safety and environmental protection and these are ongoing process at the Company's plant and facilities to maintain high awareness levels. The Company is conscious of the importance of environmentally clean and safe operations so as to ensure safety of all concerned and compliance of applicable environmental regulations. The Company as a policy re-evaluates safety standards and practices from time to time in order to raise the bar of safety standards for its people as well as users and customers.

RECOGNITION

The Company's manufacturing facilities continue to remain certified by independent and reputed external agency as being compliant as well as aligned with the external standards for Quality System IS/ISO 9001:2008, ISO TS 16949:2009 and Environmental Management Standards IS/ISO 14001:2004 and Occupational Health and Safety Management System OHSAS 18001:2007. During the year, the audits for these Certifications established continuous improvement in performance against these standards.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. D.R. Bansal [DIN: 00050612], Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

The brief resume and other details of Director seeking re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Notice of the ensuing Annual General Meeting, which is being sent to the shareholders along with Annual Report.

During the year under review, there was no change in the Board of Directors of the Company.

KEY MANAGERIAL PERSONNEL

Mr. R Sridharan, Manager and Chief Executive Officer and Mr. Somesh Laddha, Dy. General Manager (Finance and Accounts) & Secretary are the Key Managerial Personnel of the Company. During the year under review there was no change in the Key Managerial Personnel of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of your Company viz. Mr. R.C.Tapuriah, Dr. Aravind Srinivasan, Mr. Arun Kishore, Mr. K. Raghuraman and Mrs. Archana Kapoor have individually and severally given a declaration pursuant to Section 149(7) of the Companies Act, 2013 affirming compliance to the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013, rules made thereunder as well as applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

MEETINGS OF BOARD AND COMPOSITION OF COMMITTEES

During the year under review the Board met four times viz. May 15, 2015, August 10, 2015, November 05, 2015 and February 10, 2016.

As required under Section 177(8) read with Section 134(3) of the Companies Act, 2013, and the rules framed thereunder, the composition and meetings of the Audit Committee were in line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of which alongwith composition, number of meetings of all other Board Committees held during the year under review and attendance at the meetings are provided in the Report on Corporate Governance, forming a part of the Annual Report. During the year under review, all the recommendations of the Audit Committee were accepted by the Board of Directors.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company carried out the formal annual evaluation of its own performance and that of its Committees and individual Directors, inter alia, to assess the skill set and contribution that are desired, recognising that competencies and experiences evolves over time. The process was conducted by allowing the Board to engage in candid discussions with each Director with the underlying objective of taking best possible decisions in the interest of the Company and its stakeholders. The Directors were individually evaluated based on personal interaction to ascertain feedback on well defined parameters which, inter alia, comprised of level of engagement and their contribution to strategic planning and other criteria based on performance and personal attributes of the Directors. During the process of evaluation, the Board of Directors also considered the criteria for evaluation of performance of Independent Directors and the Board of Directors formulated by the Nomination and Remuneration Committee and review of the performance of the Chairman (taking into account the views of non-executive directors), the Non-independent Directors and the Board as a whole carried out by the Independent Directors. A statement indicating the manner, in which formal annual evaluation has been made by the Board of Directors, is given in the Report on Corporate Governance which forms a part of the Annual Report.



SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee (NRC) has adopted a terms of reference which, inter alia, deals with the criteria for identification of members of the Board of Directors and selection/appointment of the Key Managerial Personnel/Senior Management Personnel of the Company. The NRC recommends appointment of Director/appointment or re-appointment of Manager & CEO based on their qualifications, expertise, positive attributes and independence in accordance with prescribed provisions of the Companies Act, 2013 and rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The NRC, in addition to ensuring diversity of race and gender, also considers the impact the appointee would have on Board's balance of professional experience, background, view points, skills and areas of expertise.

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee has also adopted the Remuneration Policy for the members of the Board and Executive Management. The guiding principles of the Remuneration Policy are stated in the Report on Corporate Governance, which forms a part of the Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the provisions of Section 177(9) of the Companies Act, 2013, the Company has implemented a Vigil Mechanism which includes implementation of the Whistle Blower Policy to deal with instances of fraud and mis-management, if any, and conducting business with integrity, including in accordance with all applicable laws and regulations. No employee has been denied access to the Vigilance Officer as well as Chairman of the Audit Committee. The details of the Vigil Mechanism and Whistle-Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

AUDITORS

Messrs V. Sankar Aiyar & Co., Chartered Accountants (Registration No.109208W), were appointed as Statutory Auditors to hold office for a term of 3 (three) years until the conclusion of twenty fifth Annual General Meeting of the Company to be held for the financial year 2016-17 subject to ratification of their appointment as such by the members at every Annual General Meeting. They have confirmed to the Company that their appointment, if ratified by the members at the ensuing twenty fourth Annual General Meeting, would be according to the terms and conditions prescribed under Section(s) 139 and 141 of the Companies Act, 2013 and rules framed thereunder and that they are not disqualified for appointment as Auditors within the meaning of the said Act, The Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

The Board of Directors has re-appointed Messrs D. Sabyasachi & Co., Cost Accountants, as Cost Auditors for conducting audit of the cost records/accounts maintained by the Company in respect of specified products of the Company covered under the Companies (Cost Records and Audit) Amendment Rules, 2014 and fixed their remuneration based on the recommendation of the Audit Committee. The remuneration payable to Cost Auditors is subject to ratification by the shareholders in the ensuing Annual General Meeting of the Company.

AUDITORS' REPORT

The Auditors' Report on the financial statements of the Company forms a part of the Annual Report. There is no qualification, reservation, adverse remark, disclaimer or modified opinion in the Auditors' Report, which calls for any further comments or explanations. Further, during the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, therefore, no detail is required to be disclosed in pursuance to Section 134(3)(ca) of the Companies Act, 2013.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Messrs R.K.Mishra & Associates, Company Secretaries (PCS Registration no.14474) were appointed to undertake the Secretarial Audit of the Company for the year ended March 31, 2016. The Report of the Secretarial Auditor is given in Annexure-II, which is attached hereto and forms a part of the Directors' Report.

No qualification or observation or other remarks have been made by Messrs R.K.Mishra & Associates in the Secretarial Audit Report, which calls for any comments or explanations.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into by the Company during the financial year under review were on arms' length basis and in the ordinary course of business. The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is given in Annexure-III, which is attached hereto and forms a part of the Directors' Report. There are no material significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the meeting(s) of Audit Committee for its approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis for a financial year, for the transactions which are of a foreseen and repetitive in nature. The statement giving details of all related party transactions entered into pursuant to the omnibus approval together with relevant documents/information are placed before the Audit Committee for review and updation on quarterly basis. The Company's Policy on materiality of Related Party Transactions and dealing with Related Party Transactions, as approved by the Board of Directors, is uploaded on the Company's website and can be accessed at weblink: http://www.birlaericsson.com/pdf/RPTPolicy_BEOL.pdf.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, Guarantees and Investment in pursuance to Section 186 of the Companies Act, 2013 have been disclosed in the financial statements read together with Notes annexed to and forming an integral part of the financial statements.

**DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL, ETC.**

As required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Statement of Disclosure of Remuneration and such other details as prescribed therein are given in Annexure-IV, which is attached hereto and forms a part of the Directors' Report.

EXTRACT OF ANNUAL RETURN

An Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 is given in Annexure-V, which is attached hereto and forms a part of the Directors' Report.

PARTICULARS OF EMPLOYEES

Particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not given, as none of the employees qualifies for such disclosure.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, the information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure-VI, which is attached hereto and forms a part of the Directors' Report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions or events on these items during the year under review:

- (a) the Company has neither issued shares with differential rights as to dividend, voting or otherwise nor has granted stock options or sweat equity under any scheme. Further, none of the Directors of the Company holds investments convertible into equity shares of the Company as on March 31, 2016.
- (b) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its operations in future.
- (c) The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rule made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.
- (d) There are no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

ACKNOWLEDGEMENT

The Board of Directors desires to place on record its grateful appreciation for the excellent assistance and co-operation received from the State Government and continued support extended to the Company by the bankers, investors, vendors, esteemed customers and other business associates. Your Director wish to place on record their sincere thanks and indefinite appreciation to all the employees of the Company for their unstinted commitment and continued contribution. The Board also expresses its appreciation of the assistance and unstinted support received from venturer's and promoter companies viz. Universal Cables Limited, Vindhya Telelinks Limited and Ericsson Cables AB, Sweden.

Yours faithfully,

Harsh.V.Lodha
(DIN: 00394094)

Chairman

D.R.Bansal
(DIN: 00050612)

R.C.Tapuriah
(DIN: 00395997)

Aravind Srinivasan
(DIN: 00088037)

Arun Kishore
(DIN: 00177831)

K.Raghuraman
(DIN: 00320507)

Archana Capoor
(DIN: 01204170)

Directors



ANNEXURE-I

**ANNUAL REPORT ON
CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

- (1) A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

CSR Policy is stated and disclosed on the website of the Company and can be accessed from weblink: www.birlaericsson.com

- (2) The Composition of the CSR Committee:**

- (a) Mr. D.R. Bansal, Chairman (Non-Executive Director)
- (b) Mr. R.C.Tapuriah (Independent Director)
- (c) Dr. Aravind Srinivasan (Independent Director)

- (3) Average net profit of the Company for last three financial years:**

Average Net Profit : Rs. 1155.14 lacs

- (4) Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

The Company was required to spend Rs.23.10 lacs towards CSR. However, CSR Committee and the Board of Directors of the Company approved an enhanced outlay of Rs.25.00 lacs towards CSR Expenditure for the financial year 2015-16.

- (5) Details of CSR spend during the financial year:**

- (a) **Total amount spent for the financial year:** Rs. 25.00 lacs
 - (b) **There remains NIL amount unspent during the financial year on account of CSR activities of the Company;**
 - (c) **Manner in which the amount spent during the financial year:** The amount has been spent by contributing to a Trust established for carrying out charitable activities that are in consonance with the requirements of Schedule VII of the Companies Act, 2013 that recommends the activities that a company may undertake for carrying out its CSR activities. The Company has made emphasis on promoting education and employment enhancing skills, ensuring environment sustainability and conservation of natural resources, etc.
- (6)** The CSR activities of the Company were implemented through Madhav Prasad Priyamvada Birla Apex Charitable Trust, Kolkata, West Bengal which is duly registered under Section 12A of the Income Tax Act, 1961.
- (7)** The Company has not failed in spending the required amount of 2% of the average net profit for the last three financial years.

We hereby confirm that the implementation and monitoring of the CSR Policy is in accordance with the CSR objectives and Policy of the Company.

**R.C.Tapuriah
Director**

**D.R.Bansal
Chairman-CSR Committee**



ANNEXURE-II

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,

The Members,
Birla Ericsson Optical Limited
Udyog Vihar, P.O. Chorghata
REWA - 486 006(M.P.)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Birla Ericsson Optical Limited ('the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder ;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder ;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder ;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the audit period).
- (vi) The Factories Act, 1948;
- (vii) The Industrial Dispute Act, 1947;
- (viii) The Payment of Wages Act, 1936;
- (ix) The Minimum Wages Act, 1948;
- (x) The Employees State Insurance Act, 1948;
- (xi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (xii) The Payment of Bonus Act, 1965 and Payment of Bonus (Amendment) Act, 2015;
- (xiii) The Payment of Gratuity Act, 1972;
- (xiv) The Contract Labour (Regulation and Abolition) Act, 1970;



- (xv) The Maternity Benefits Act, 1961;
- (xvi) The Child Labour Prohibition and Regulation Act, 1986;
- (xvii) The Apprentices Act, 1961;
- (xviii) The Equal Remuneration Act, 1976;
- (xix) The Employment Exchange (Vacancies) Act, 1976;
- (xx) The Environment (Protection) Act, 1986;
- (xxi) The Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2008;
- (xxii) The Water (Prevention and Control of Pollution) Act, 1974;
- (xxiii) The Air (Prevention and Control of Pollution) Act, 1981;
- (xxiv) The Indian Contract Act, 1872;
- (xxv) The Income Tax Act, 1961 and Indirect Tax Laws; and
- (xxvi) The Indian Stamp Act, 1999 and other applicable labour laws.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreements entered into by the Company with BSE Limited and The National Stock Exchange of India Limited;
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (with effect from December 1, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that Board of Director of the Company is duly constituted with proper balance of Non Executive Directors and Independent Directors. During the year under review there was no change in the composition of the Board of Directors of the Company.

Adequate notice is given to all Directors to schedule the Board Meetings and Committee Meetings at least seven days before the date of the Meeting, agenda and detailed notes on agenda were sent within the time prescribed therefor in the Secretarial Standard issued by ICSI and/or with respect to Unpublished Price Sensitive Information at a shorter period with the unanimous general consent of all directors including Independent Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of equity shares.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaboration.

However the members of the Company have passed following resolution through postal ballot on 14th January, 2016:

- Ordinary Resolution pursuant to applicable provisions of the Companies Act, 2013 and applicable provisions of Listing Agreement/ Regulations for authority to the Board of Directors to enter into contracts/arrangements/ transactions with Birla Furukawa Fibre Optics Private Limited, a related party.

For R.K. Mishra & Associates
Company Secretaries

Kishor Kumar Gupta
Partner

Place : Satna
Date : May 18, 2016

CP No. 14474
ACS No. 38776

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

**ANNEXURE-A**

To,
The Members,
Birla Ericsson Optical Ltd.
Udyog Vihar, P.O. Chorhata
REWA - 486 006 (M.P.)

The Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R.K. Mishra & Associates
Company Secretaries

Kishor Kumar Gupta
Partner
CP No. 14474
ACS No. 38776

Place : Satna
Date : May 18, 2016



ANNEXURE-III

FORM 'AOC-2'

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(1) **Details of contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered into any contract or arrangement or transaction with its related parties, which is not at arm's length during the year ended on 31st March, 2016.

(2) **Details of material contracts or arrangement or transactions at arm's length basis:**

(a) **Name of the related party and nature of relationship:** Birla Furukawa Fibre Optics Private Limited (BFFOPL), a private limited company having common Directors.

(b) **Nature of contracts/arrangements/transactions:** Purchase of various types and grades of optical fibre, a principal raw material for manufacturing optical fibre cable, sale of raw materials besides other transactions including reimbursement of expenses or other obligations, etc.

(c) **Duration of the contracts/arrangements/transactions:** On going contracts/agreements from time to time. The unrelated shareholders of the Company, through postal ballot, accorded their approval on January 14, 2016, by way of an ordinary resolution for entering into contracts/arrangements/transactions with Birla Furukawa Fibre Optics Private Limited upto a maximum amount of Rs. 200 Crores (Rupees Two Hundred Crores) per financial year.

(d) **Salient terms of the contracts or arrangement or transactions including the value (Financial Year 2015-16):**

- i. Purchase of various types and grade of optical fibre, a principal raw material for manufacturing optical fibre cable – Rs. 4068.13 lacs.
- ii. Sale of raw material – Rs.5.13 lacs.
- iii. Sale of Finished Goods – Rs. 0.12 lacs.
- iv. Interest Income on trade payable and security deposit – Rs.0.75 lacs.

The salient terms of contracts or arrangements or transaction were :

- (i) Purchase and sale of raw materials- As per mutually agreed commercial terms and conditions in line with the prevalent business practices and generally comparable with unrelated parties in all material aspects.
- (ii) Interest Income pertains to the security deposit for office premises as mutually agreed by the parties.

(e) **Date of approval by the Board, if any:** Board of Directors approved on November 5, 2015, subject to approval of members. Shareholders approval was obtained on January 14, 2016.

(f) **Amount paid as advances:** Nil

Yours faithfully,

Harsh.V.Lodha
(DIN: 00394094)

Chairman

D.R.Bansal
(DIN: 00050612)

R.C.Tapuriah
(DIN: 00395997)

Aravind Srinivasan
(DIN: 00088037)

Arun Kishore
(DIN: 00177831)

K.Raghuraman
(DIN: 00320507)

Archana Capoor
(DIN: 01204170)

Directors

New Delhi, May 18, 2016



ANNEXURE-IV

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2015-16 (Rs. in lacs)	% increase in Remuneration in the financial year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. R.Sridharan (Manager & Chief Executive Officer)	53.44	27.51	29.36:1	The Revenue from Operations (Gross) of the Company is marginally lower by 5.53% and Profit after Tax has declined by 32.14%.
2	Mr. Somesh Laddha (Company Secretary & Chief Financial Officer)	12.57	9.50	6.91:1	

Note: None of the Directors of the Company received any remuneration other than sitting fees during the financial year 2015-16.

- (ii) The median remuneration of employees of the Company during the financial year 2015-16 was Rs. 1.82 lacs.
 (iii) In the financial year 2015-16, there was an increase of 5.48% in the median remuneration of employees.
 (iv) There were 291 permanent employees on the rolls of Company as on March 31, 2016.
 (v) Relationship between average increase in remuneration and company performance: The Profit after Tax for the financial year ended March 31, 2016 has declined by 32.14% whereas the increase in median remuneration was 5.20%. The average increase in median remuneration was in line with the performance of the Company and partly on individual employee's performance.
 (vi) Comparison of remuneration of the each Key Managerial Personnel against the performance of the Company:

Designation	Percentage Increase in Remuneration of KMP	Percentage Increase (Decrease) in Profit (Loss) of the Company	Percentage Increase (Decrease) in Revenue from operations (Gross) of the Company
Manager & Chief Executive Officer	27.51%	(-) 32.14%	(-) 5.53%
Company Secretary & Chief Financial Officer	9.50%	(-) 32.14%	(-) 5.53%

- (vii) Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in market quotation of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

Name of Stock Exchange	Closing Market Price per Share (Rs.)		Percentage increase	Price Earnings Ratio		Market Capitalisation (Rs. in lacs)	
	As on 31.03.2015	As on 31.03.2016		As on 31.03.2015	As on 31.03.2016	As on 31.03.2015	As on 31.03.2016
BSE	58.85	31.00	(-)41.34%	14.11	10.95	15855	9300.00
NSE	52.05	31.25	(-)39.96%	12.48	11.04	15615	9375.00

The Company has not made any Public Issue or Rights Issue of securities in the last 10 (ten) years, and therefore no comparison has been made of current share price with public offer price.

The Company's shares are listed on BSE Limited and The National Stock Exchange of India Limited.

- (viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2015-16 was 10.92% whereas the increase in the managerial remuneration for the same financial year was 27.51%.
 (ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors and Senior Management Personnel.
 (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None of the Directors were paid remuneration other than sitting fees. The Manager and Chief Executive Officer of the Company was paid remuneration amounting to ₹53.44 lacs.
 (xi) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2016 is as per the Remuneration Policy of the Company.



ANNEXURE-V

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- (i) CIN : L31300MP1992PLC007190
(ii) Registration Date : 30th June 1992
(iii) Name of the Company : Birla Ericsson Optical Limited
(iv) Category/Sub-Category of the Company : Public Company Limited by Shares
(v) Address of the Registered Office and contact details : Udyog Vihar, P.O. Chorhata, Rewa-486 006 (M.P.)
Telephone No.: (07662) 400580, Fax No.: (07662) 400680
E-mail: headoffice@birlaericsson.com
(vi) Whether listed Company : Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S.Marg, Bhandup (West), Mumbai-400 078
Telephone No.: (022)25946970, Fax No.: (022)25946969
E-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are stated as under :

Sl. No.	Name and Description of main Products/ Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Optical Fibre Cable	2731	83
2	Copper Cable	2732	16

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
➔ NIL ➔					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year as on 01.04.2015				No. of Shares held at the end of the year as on 31.03.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
(a) Individual/HUF	-	72241	72241	0.24	-	72241	72241	0.24	NIL
(b) Central Government	-	-	-	-	-	-	-	-	NIL
(c) State Government(s)	-	-	-	-	-	-	-	-	NIL
(d) Bodies Corporate	10453022	130220	10583242	35.28	10583242	-	10583242	35.28	NIL
(e) Bank/FI	-	-	-	-	-	-	-	-	NIL
(f) Any other-	-	-	-	-	-	-	-	-	NIL
Society	1000260	-	1000260	3.33	1000260	-	1000260	3.33	NIL
Sub-Total (A) (1)	11453282	202461	11655743	38.85	11583502	72241	11655743	38.85	NIL



Category of Shareholders	No. of Shares held at the beginning of the year as on 01.04.2015				No. of Shares held at the end of the year as on 31.03.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	NIL
(b) Other-Individuals	-	-	-	-	-	-	-	-	NIL
(c) Bodies Corporate	-	8250000	8250000	27.50	-	8250000	8250000	27.50	NIL
(d) Bank/FI	-	-	-	-	-	-	-	-	NIL
(e) Any other	-	-	-	-	-	-	-	-	NIL
Sub-Total (A) (2)	-	8250000	8250000	27.50	-	8250000	8250000	27.50	NIL
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	11453282	8452461	19905743	66.35	11583502	8322241	19905743	66.35	NIL
B. Public Shareholding									
(1) Institutions									
(a) Mutual Fund	-	500	500	-	-	500	500	-	NIL
(b) Bank/FI	100	2520	2620	0.01	100	2520	2620	0.01	NIL
(c) Central Government	-	-	-	-	-	-	-	-	NIL
(d) State Government(s)	-	-	-	-	-	-	-	-	NIL
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(f) Insurance Companies	-	-	-	-	-	-	-	-	NIL
(g) FIs	-	-	-	-	-	-	-	-	NIL
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
(i) Other (Specify)	-	-	-	-	-	-	-	-	NIL
Sub-Total (B) (1)	100	3020	3120	0.01	100	3020	3120	0.01	NIL
(2) Non-Institutions									
(a) Bodies Corporate									
(i) Indian	1039609	26781	1066390	3.56	867956	26381	894337	2.98	(-) 0.58
(ii) Overseas	-	-	-	-	-	-	-	-	NIL
(b) Individuals									
(i) Individual Shareholders holding nominal Share Capital upto Rs.1 lac	5652325	1317065	6969390	23.23	5821379	1286873	7108252	23.70	(+) 0.47
(ii) Individual Shareholders holding nominal Share Capital in excess of Rs.1 lac	1590010	-	1590010	5.30	1591878	-	1591878	5.31	(+) 0.01
(c) Others (Specify) -									
(i) Society	91240	-	91240	0.30	91240	-	91240	0.30	NIL
(ii) NRIs	296933	1200	298133	0.99	314052	1200	315252	1.05	(+) 0.06
(iii) Directors/Relative (not in control of the Company and the shareholding does not constitute the promoters holding)	5100	-	5100	0.02	5100	-	5100	0.02	NIL
(iv) Clearing Members/Clearing House	70874	-	70874	0.24	85078	-	85078	0.28	(+) 0.04
Sub-Total (B) (2)	8746091	1345046	10091137	33.64	8776683	1314454	10091137	33.64	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	8746191	1348066	10094257	33.65	8776783	1317474	10094257	33.65	NIL
C. Shares held by Custodian for GDRS & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	20199473	9800527	30000000	100.00	20360285	9639715	30000000	100.00	NIL


(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2015			Shareholding at the end of the year as on 31.03.2016			% change in Share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total Shares	
1	Estate of Late Smt. Priyamvada Devi Birla Represented by Justice R.V. Raveendran, Mr.Amal Chandra Chakrabortti and Mr.Mahendra Kumar Sharma in their capacity as Administrators Pendente Lite	72241	0.24	-	72241	0.24	-	NIL
2	Vindhya Telelinks Ltd. (held under 2 Folios)	4000100	13.33	4.17	4000100	13.33	4.17	NIL
3	Universal Cables Ltd.	3900100	13.00	-	3900100	13.00	-	NIL
4	The Punjab Produce & Trading Co Pvt. Ltd.	1043169	3.48	-	1043169	3.48	-	NIL
5	Birla Corporation Ltd.	938515	3.13	-	938515	3.13	-	NIL
6	East India Investment Company Private Ltd.	500100	1.67	-	500100	1.67	-	NIL
7	Baroda Agents & Trading Co. Pvt.Ltd. (held under 2 Folios)	135920	0.45	-	135920	0.45	-	NIL
8	Punjab Produce Holdings Ltd.	64438	0.22	-	64438	0.22	-	NIL
9	Varunendra Trading & Agents Pvt. Ltd.	300	-	-	300	-	-	NIL
10	Birla Financial Corporation Ltd.	100	-	-	100	-	-	NIL
11	Express Dairy Company Ltd.	100	-	-	100	-	-	NIL
12	Gwalior Webbing Company Private Ltd.	100	-	-	100	-	-	NIL
13	Hindustan Gum & Chemicals Ltd.	100	-	-	100	-	-	NIL
14	Mazbat Properties Pvt.Ltd.	100	-	-	100	-	-	NIL
15	Mazbat Investments Pvt. Ltd.	100	-	-	100	-	-	NIL
16	Hindustan Medical Institution	1000260	3.33	-	1000260	3.33	-	NIL
17	Ericsson Cables AB, Sweden	8250000	27.50	-	8250000	27.50	-	NIL
	Total	19905743	66.35	4.17	19905743	66.35	4.17	NIL

(iii) Change in Promoter's Shareholding (please specify, if there is no change)

Promoter's Shareholding	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	No change during the year			
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	No change during the year			



(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Radhey Shyam Agrawal	185635	0.62	2532	0.01
2	Religare Finvest Ltd.	198491	0.66	-	-
3	Shilpa Nayak	85000	0.28	85000	0.28
4	Akash	57767	0.19	46607	0.16
5	Techpro Project Pvt. Ltd.	83000	0.28	90000	0.30
6	Evermore Stock Brokers Private Limited	81854	0.27	-	-
7	Sandeep Bipinchandra Jhaveri	60026	0.20	-	-
8	Sunil Kumar Gupta	60000	0.20	70100	0.23
9	Chetan Rasiklal Shah	60000	0.20	-	-
10	Heena Biren Gandhi	60000	0.20	-	-
11	Jatin Fakirchand Jhaveri	-	-	198491	0.66
12	Manishkumar Sumatilal Mehta(HUF)	-	-	97959	0.33
13	Evermore Commodity Brokers Private Limited	-	-	78795	0.26
14	Badjate Stock & Shares Pvt. Ltd.	2000	0.01	67653	0.22
15	Belle Vue Clinic	57460	0.19	57460	0.19
16	Surinder Bir	52016	0.17	56100	0.19
17	S.V. Khona HUF	-	-	54537	0.18

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	None of the Directors and KMP holds Shares in the Company			
Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	None of the Directors and KMP holds Shares in the Company			
At the end of the year	None of the Directors and KMP holds Shares in the Company			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	4113.45	1700.00	-	5813.45
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	10.96	-	-	10.96
Total (i+ii+iii)	4124.41	1700.00	-	5824.41



(Rs.in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition				
- Principal Amount	1651.36	-	-	1651.36
- Interest due but not paid	4.75	2.24	-	6.99
• Reduction(-)				
- Principal Amount	-	(-)772.45	-	(-)772.45
Net Change [(+)/(-)]	(+)1656.11	(-)770.21	-	885.90
Indebtedness at the end of the financial year				
(i) Principal Amount	5764.81	927.55	-	6692.36
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	15.71	2.24	-	17.95
Total (i+ii+iii)	5780.52	929.79	-	6710.31

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Manager & CEO

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of Manager & CEO – Mr.R. Sridharan
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	33.60
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	17.24
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	
	- as % of profit	-
	- others, specify	-
5	Others [Company's contribution to Provident and Superannuation Fund(s) to the extent not taxable]	2.60
	Total (A)	53.44

B. Remuneration to other Directors

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of Director					Total Amount
1	Independent Directors	Mr. R.C. Tapuriah	Dr. Aravind Srinivasan	Mr. Arun Kishore	Mr. K. Raghuraman	Mrs. Archana Capoor	
	Fees for attending Board/ Committee Meetings	2.55	2.55	3.60	3.60	1.60	13.90
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	2.55	2.55	3.60	3.60	1.60	13.90
2	Other Non-Executive Directors	Mr. Harsh V. Lodha			Mr. D.R. Bansal		
	Fee for attending Board/ Committee meetings	1.60			1.35		2.95
	Commission	-			-		-
	Others, please specify	-			-		-
	Total (2)	1.60			1.35		2.95
Total (B)=(1+2)							16.85


C. Remuneration to Key Managerial Personnel other than Managing Director/Manager/Wholetime Director

(Rs. in lacs)

SI. No.	Particulars of Remuneration	Key Managerial Personnel
		Mr. Somesh Laddha- Company Secretary and CFO
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	11.57 1.00 -
2	Stock Options	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify	- -
5	Others, please specify	-
Total (C)		12.57

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. Company/B. Directors/C. Other Officers in default					
Penalty			NONE		
Punishment			NONE		
Compounding			NONE		

ANNEXURE-VI

DISCLOSURE OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.**(A) Conservation of Energy-**

The Company has a well structured energy management system in place and regular efforts are being made to optimize the process parameters and energy conservation methods. While undertaking the modernization and technology up-gradation of production facilities, due consideration is also given in selection of plant and equipment which conforms to the benchmarking standards in terms of energy conservation methodologies. The key initiatives for conservation of energy during the year were -

(i) The steps taken or impact on conservation of energy:

- Power Factor is maintained above 0.99 enabling maximum possible rebate in monthly HT power supply Bill.
- Plant conventional tube lights replaced with LED lights and HPSV street lights replaced by LED lights resulting in total saving of approximately Rs. 3.50 lakhs per year.
- Fuel saving by critical and non critical load categorization.
- Tandemisation of manufacturing processes to reduce energy consumption, reduce manpower cost and improve throughput.
- Ducting of air conditioning system for UPS room and replacement of old Triometric type and window Air conditioners with new ductable Air conditioners of overall lower capacity.
- Proper maintenance of all machinery & other equipments and replacement of worn out components besides maximum utilization of available resources by bringing awareness amongst employees/ workers.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- Company is in process of installing Solar Water heater for hot water trough in extrusion lines.

(iii) The capital investment on energy conservation equipments:

- Capital expenditure has not been accounted for separately.

(B) Technology absorption-**(i) The efforts made towards technology absorption:**

- The Company absorbs and adapts the technologies on a continuous basis to meet its specific product needs from time to time.
- The design and process parameters are optimized to make use of the latest technologies in order to customize products in line with specific customer and application needs.
- Value engineering through identification of new and alternate raw materials.
- special products are being designed and developed with highest technological standards of the cable industry.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution, etc.:

- Embraced innovation and R&D based excellence for productivity and new market development, upgraded technologies and production processes, the efficiency of supply chain, creation of new products and also line extension of some of the existing products.
- Enhanced and improved product range resulting in expanded business reach and becoming more competitive.
- Flexible and agile manufacturing, keeping pace with rapidly changing market needs. Launch of new products, improvement in productivity and overall operating efficiency.
- Optimum integration of human and technical resources to enhance the overall performance and satisfaction. As a result, the engineering staff is keenly harnessing the best of technology to manufacture world class product.



(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- Not applicable as no technology was imported during the last three years. However, the Company has access for technical information and assistance from its Collaborator, Ericsson Cables AB, Sweden being a promoter.

(iv) The expenditure incurred on Research and Development:

- R & D expenditure has not been accounted for separately.

(C) Foreign exchange earnings and Outgo-

Details of foreign exchange earnings and outgo are contained in Note No.42(a), 42(b), 42(d) and 44 of the Notes to the Financial Statements.

Yours faithfully,

Harsh.V.Lodha
(DIN: 00394094)

Chairman

D.R.Bansal
(DIN: 00050612)

R.C.Tapuriah
(DIN: 00395997)

Aravind Srinivasan
(DIN: 00088037)

Arun Kishore
(DIN: 00177831)

K.Raghuraman
(DIN: 00320507)

Archana Capoor
(DIN: 01204170)

Directors

New Delhi, May 18, 2016



Management Discussion and Analysis

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is engaged in the business of manufacturing and sales of primarily Telecommunication cables consisting of both copper and optical fibre and other types of specialty wires and cables.

As it is becoming more evident that the entire communication sector is hungry for very high data usage and high bandwidth applications, optical fibre cables have become the important backbone of the entire network. Government of India's ambitious "Digital India" project is mainly being built on National Optical Fibre Network (NOFN) which was rechristened as "Bhart-Net" coupled with the initiatives of various states to build Optical Fibre based communication network. The government's aim of bridging the digital divide between rural and urban communities is becoming a reality by way of faster adoption of optical fibre cable network on a pan-India basis. Therefore, optical fibre is increasingly becoming as the only medium which can fulfill the high speed and large bandwidth requirements in the fast evolving communication technology.

Although, all the cable manufacturers are facing the brunt of foreign currency fluctuations coupled with volatility in the movement of raw material price levels, the industry is well poised to cater to the needs of optical fibre cables by adopting various innovative measures.

There is no material change in the industry structure as was reported last year.

OVERALL REVIEW

Business Review and Outlook

The recent drive by Government of India to develop across the country, 100 nos of "Smart Cities" which invariably includes the faster mode of communication technologies, the telecom cable market is definitely slated to grow in a rapid pace. As part of the built-up of ambitious nation-wide optical fibre cable network being undertaken by the Government, it is planned to connect 250,000 villages with high speed data connectivity enabling all public and private telecom service providers to offer various e-governance services to all masses.

As per the latest Industry research and market survey estimates, India is going to have highest number of smartphone users and the telecom cable segment is going to touch the level of US \$ 400 Million by the year 2020. With Government's policy impetus and thrust on providing rural broadband services by way of reaching the far flung areas of the country, the optical fibre cable industry is well prepared to raise to the challenges of providing the cables with on-time deliveries.

The worldwide optical fibre cable demand in the entire calendar year of 2015 already touched 364 million fibre Kms showing a clear increase of 17.1 % over that of 2014. This robust growth trend is going to continue in 2016 and 2017 as well. As far as the market in India is concerned, the optical fibre installed in 2015 was around 16 million fibre Kms, which is 4.4 % of the worldwide demand. This is slated to grow slightly above 20 million fibre Kms in FY 2016-17. All these are happening mainly due to the increased proliferation of data hungry applications coupled with high smartphone penetration among the masses driving on high speed 3G and 4G technologies. As the Telecom sector is in the cusp of technology revolution, it is definitely poised to drive up the demand for optical fibre cables and fulfill Government's plans of creating more sustainable employment generation opportunities.

As part of debottlenecking the telecom operations of the service providers, now the Government is planning for one of the largest spectrum auctions which is slated to take place during early second half 2016, which will enable the telecom operators to grab the valuable spectrum to expand the services. After the spectrum is in place, the network building process will start; this will definitely give more opportunities for the optical fibre cable players to cater to the large demand.

On a mission to give comprehensive broadband experience to the users for enhancing the quality of high speed internet offerings on a large scale basis, the operators are planning to roll-out Fibre-to-the-Home (FTTH) services, which is a natural flow after the built-up of backbone fibre networks. This will pave the way for a mass introduction of specialty FTTH type of optical fibre cables in the access network and will immensely benefit the telecom cable manufacturing sector.

Telecommunication Cables

(A) Optical Fibre Cables (OFC)

Despite a decrease in revenue from OFC business at Rs.22634.38 lacs as compared to Rs. 24645.70 lacs in the previous year is mainly due to less off-take from certain private sector customers and government customers. Due to the offerings of good quality cable products and prompt services by the company, export market is always on a growth

path. These efforts are well received by the overseas customers enabling the Company to achieve an export sales of Rs.5531.37 lacs in the financial year 2015-16.

Despite peaks and valleys in demand of OFC during the year under review, the price pressures always remain as the domestic competition is very high, and the chances of increase in prices of OFC in the domestic market are not bright, even though the fibre demand is surging all over the world and also the global market is witnessing increase in fibre price levels which is the basic raw material for OFC.

Data consumption in the urban and rural areas of the country has been steadily increasing owing to the continuing penetration of mobile service providers backed up by fibre network. This paves the way for an increased use of optical fibre cables across the complete telecommunication network, starting from long distance backhaul, intra-city, metro access and final last mile connectivity.

The second phase of National Optic Fibre Network from Bharat Broadband Network Limited (BBNL) is coming up which will see a further requirement of 250,000 Kms of OFC. BBNL is a special purpose vehicle promoted by public sector companies like BSNL, PGCIL, and RailTel under USO funding mechanism. This ambitious project plans to bring rural India into the high-speed broadband network by way of connecting 250,000 villages using optical fibre cables. As one of the private telecom operator is in the verge of launching superior 4G-LTE high speed communication services, most of the other telecom operators are upgrading their network in both 3G and 4G technologies to provide the subscribers with superior services.

The Government is giving a definite push to this Telecom sector by way of framing the required policy guidelines and it is definitely going to augur very well for the industry.

(B) Jelly Filled Telephone Cables (JFTC)

The Company's domestic sales turnover on account of JFTC decreased from Rs.717.16 lacs in the previous year to Rs.399.36 lacs during the year under review, mainly due to reduced demand from telecom operators. Also, decent sales of switchboard cables, coaxial cables and other specialty cables like structured cabling products under the copper cable business has kept the momentum to a reasonable increase in sales. The structured cable product sales achieving a level of Rs.3160.33 lacs during the year under review and the company is poised to become an important player in the industry.

As Jelly Filled Telephone Cables requirement is seeing continuous decline as these are getting replaced with Optical Fibre Cables, the Company is focusing more on structured copper cables segment which is having good traction, as this type of cables are predominantly used for broadband applications by Internet Service Providers.

Other Wires & Cables

The Company's sale of Automobile Wires has increased from Rs.37.95 lacs to Rs.45.21 lacs which is due to a marginal increase in off-take from existing automotive customers.

Financial Review

- (a) The revenue from operations (gross) decreased by 5.53 % to Rs.28914.00 lacs as compared to Rs. 27314.58 lacs in previous year primarily due to reduction in sales of OFC both in value and volume terms.
- (b) The raw material consumption was slightly lower as compared to previous year.
- (c) During the year under review, the borrowing cost has significantly decreased from Rs.184.10 lacs in previous year to Rs 104.53 lacs. Also, the interest cost has slightly decreased to Rs.547.55 lacs (previous year Rs. 646.14 lacs).
- (d) The profit after tax for the year under review was at Rs.848.00 lacs significantly lower from Rs.1249.60 lacs in the year 2015-16. The steep decline in profit is mainly because of lower turnover due to less than expected orders from main customers, increase in depreciation and amortization expenses and one time settlement amount paid to an overseas supplier.
- (e) There was no change in the capital structure during the year. However, the increase in Reserves & Surplus of Rs.848.00 lacs is because of plough back of net profit in the current year.
- (f) The total gross fixed asset for the financial year 2015-16 stood at Rs.14095.77 lacs up from Rs.11903.96 lacs in the previous year. The net increase in gross block of Rs. 2191.81 lacs during the year comprises of Secondary Coating Line, Sheathing Line, etc. towards technological up-gradation and scaling up Optical Fibre Cables manufacturing capacity.
- (g) For detailed information on the financial performance with respect to operational performance, a reference may please be made to the financial statements.

OPPORTUNITIES AND THREATS

As the bandwidth requirements is witnessing a phenomenal growth coupled with the need for high speed download and upload needs which necessitated the high speed network technologies using 3G and 4G LTE standards. Also in the final access configurations, FTTH is going to play a major role for providing high speed, high bandwidth data services to both residential and enterprise segments. As data hungry usages like online gaming, interactive TV, advent of smart homes and offices and e-commerce applications, the telecom service providers are finding it bit difficult to give customer with highest levels of satisfaction. Further, due to poor cell sites planning in terms of spacing, call drops have become the order of the day.

As per the latest market studies, the expected Data traffic in the country is going to touch 20 Exa Bytes* by 2020 which is a huge leap from just 1.8 Exa Bytes* in 2012 (1 EB=1 billion GB). As per the current estimates, backhaul needs immediate fiberization of towers which is presently hovering at around 15 % and needs to go up to 50 % in order to cater to the ever increasing data needs and make the networks future-ready.

This gives the optical fibre cable industry, huge business opportunities as the industry is finally looking up with almost all the plants are gearing up to cater to the varied needs of all telecom operators.

Social Media, e-commerce applications are driving major data consumption among the smartphone users. This type of high data traffic can be managed in a best way, only by adoption of optical fibres across all types of telecommunication networks starting from backhaul, metro, local and final access networks.

The upcoming spectrum auction by the Government coupled with earlier offerings of spectrum to all telecom operators have placed them in a driver's seat to go ahead to expand the network which will cater to the varied needs of the subscribers. Further, Government driven projects like NOFN as backbone for Digital India, Smart Cities, etc will definitely shore up the requirements of optical fibre cables.

Although the domestic requirement for optical fibre cables is on the surge mode, price pressures continue to strain the margin levels. Despite the timely supply of cables to the telecom operators, operators are not able to lay the cables due to RoW (Right of Way) issues which stretches the network deployment time considerably. Your Company with the excellent brand image is set to capitalize the surging growth opportunities in exports segments as well to a great extent.

Telecom Sector is impacted substantially by government policies and investment. While no reversal in the planned investment is envisaged, prices and demand are definitely subject to changes in policies on tendering and indenting. However, as explained above the Government's ambitious targets for telecommunication expansion and broadband penetration seamlessly upto village levels should see favourable regulatory environment in India on a long term basis.

RISKS AND CONCERNS

Risks are always there in doing the business in India despite strong fundamentals of our country's economy in terms volatile foreign currency fluctuations, easy availability of funds at a competitive interest rates, high cost of transporting the materials, general taxation issues, retention of talent and non-availability of skilled work force. The Government's "Skill India" project is expected to eliminate the concerns about unskilled work force. Although these are pulling down the growth rates, your company is well placed to face these challenges by way of innovative and robust system implementation to fend off these risks and concerns.

Technological

- (a) The consumption of JFTC is expected to remain low due to increasing telephone density and large scale deployment of wireless technology coupled with optical fibre backhaul across all the network topologies.
- (b) The Competition within the OFC business is becoming fierce due to emerging new technologies and frequent new product introductions in optical fibre arena by certain integrated overseas players that command competitive prices and preference in the market place.
- (c) Sub-standard quality cables flooding the market with below raw material cost price levels from low rung players is also affecting quality players in the industry.

Financial

Financial risks would include, inter alia, low capacity utilization, un-remunerative prices, highly concentrated customers base, shorter delivery schedule and liquidated damages, foreign exchange exposure and related exchange rates variation, commodity price including adverse movements in prices of raw-materials, warranty and security, current or future litigations, working capital management and interest rate, contingent liabilities, etc. In addition, the credit risks could increase, if the

financial condition of Company's customers decline. The Company regularly identifies and monitors the financial risks as well as potential business threats and develops appropriate risk mitigation plans. The Company's crisis management capability is also reasonably honed to protect its reputation with its stakeholders.

INTERNAL CONTROL SYSTEMS

The Company's system of financial, operational and compliance control and risk management is embedded in the business process by which the Company pursues its objectives. The established system also provides a reasonable assurance on the efficiencies of operations, safety of assets besides orderly and legitimate conduct of Company's business in the circumstances which may reasonably be foreseen. The Company has a defined organization structure; authority levels delegated powers, internal procedures, rules and guidelines for conducting business transactions.

The Company has engaged a firm of Chartered Accountants for internal auditing, who besides conducting periodic audits, independently reviews and strengthens the control measures. The Internal Auditors regularly brief the Management and the Audit Committee on their findings and also on the steps to be taken with regard to deviations, if any.

ENVIRONMENT & SAFETY

The Company successfully continued with the implementation of industrial safety and environmental protection measures and these are ongoing processes at the Company's plant and facilities. As a recognition of these objectives, the entire range of activities of the Company continue to remain certified to the requirement of international standard IS/ISO 14001:2004 by the DNVGL Business Assurance India Pvt. Ltd.

The Company has taken initiative for RoHS (Restriction of Hazardous Substances Directive) compliance in its products and manufacturing processes in accordance with existing and anticipated environmental legislations and relevant market requirements.

INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITIES

The Company sees its relationship with its employees as critical to the future and believes that every employee needs to possess apart from competence, capacity and capabilities, sustainable values, current and contemporary which would make them useful, relevant and competitive in managing the change constructively for overall growth of the organisation. To this end, the Company's approach and efforts are directed towards creating a congenial work atmosphere for individual growth, creativity and greater dedicated participation in organisational development. In-house and external training and instructions are also provided to employees at all levels, which help in attaining professional and productive culture by a blend of technology and highly skilled manpower.

The Company is committed to maintain good industrial relations through active participation of workers, regular meetings and discussions on all legitimate and legally tenable issues. The Company employed 291 number of permanent employees on its Roll as on March 31, 2016.

CAUTIONARY STATEMENT

Statements in the Management's Discussion & Analysis Report which seek to describe the Company's objectives, projections, estimates, expectations and predictions may be considered to be "forward-looking statements" as of the date of this report and are stated as required by applicable laws and regulations. Actual performance and results could differ materially from those expressed or implied and the Company owes no obligation to publicly update these forward looking statements to reflect subsequent events or circumstances. Market data and product analysis contained in this Report has been obtained from internal Company reports and industry publications, but their accuracy and completeness are not guaranteed and their reliability cannot be assured.



Report on Corporate Governance

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Report on Corporate Governance for the year ended March 31, 2016 is set out below:

1. CORPORATE GOVERNANCE PHILOSOPHY :

Good Corporate Governance is an integral part of the Company's Management and Business Philosophy.

The importance of Corporate Governance lies in its contribution both to business prosperity and to accountability. Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and business prosperity with the ultimate objective of realising long term shareholder value, whilst taking into account the interest of all other stakeholders for wealth creation.

The Company will continue its efforts towards raising its standard in Corporate Governance and will also review its systems and procedures constantly in order to keep pace with the changing economic environment. The Company has complied with the applicable requirements of Corporate Governance and the Disclosures as contained in this Report are in accordance with Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS :

The present strength of the Board of Directors is Seven (7) including one Woman Director. The Company has a regular Non-Executive Chairman. The number of Independent Directors on the Board is Five (5), which is more than half of the total number of Directors and all the Directors of the Company are Non-Executive Directors. The composition of Board of Directors of the Company is in compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors on the Board is a member in more than 10 committees or acts as chairman of more than 5 committees across all the companies in which he/she is a Director. The necessary disclosures regarding Committee memberships/ chairmanships have been made by the Directors. Further, none of the independent directors serves as such on the Board of more than Seven (7) listed companies. Also they do not serve as whole-time directors on the Board of any listed company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company other than the sitting fees payable to them along with reimbursement of incidental expenses incurred for attending the Meeting(s) of Board of Directors and Committee thereof. The terms and conditions of appointment of Independent Directors can be accessed on the Company's website viz: www.birlaericsson.com (http://www.birlaericsson.com/pdf/T&C_Appt_Independent_Directors_BEOL.pdf).

During the financial year ended on March 31, 2016, four Board Meetings were held on May 15, 2015, August 10, 2015, November 05, 2015 and February 10, 2016. The maximum time gap between any two meetings was not more than one hundred twenty days.

The following table gives the composition and category of the Directors on the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships/ Chairmanships held by them in other companies:-

Name of the Director	Category	Attendance Particulars		No. of other Directorships and Committee Memberships/ Chairmanships		
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Harsh V. Lodha (Chairman)	Non-Executive Chairman	4	Yes	7	1	2
Mr. D.R. Bansal	Non-Executive	3	No	2	1	None
Mr. R.C. Tapuriah	Independent Non-Executive	3	No	6	4	2
Dr. Aravind Srinivasan	Independent Non-Executive	3	No	None	None	None
Mr. Arun Kishore	Independent Non-Executive	4	No	1	None	None
Mr. K. Raghuraman	Independent Non-Executive	4	No	9	3	5
Mrs. Archana Capoor	Independent Non-Executive	4	No	4	1	None

Notes:

- (i) Number of other Directorships held by the Directors, as mentioned above, excludes Directorships in private limited companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and LLP's besides trustee/membership

of managing committees of various trusts and other bodies / chambers and are based on the latest declarations received from the Directors. The details of Committee Membership/Chairmanship is in accordance with Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and reflect the Membership/Chairmanship of the Audit Committee and the Stakeholders Relationship Committee alone of all other public limited companies.

- (ii) None of the Non-Executive Directors holds any Equity Shares of the Company as per the declarations received from them.
- (iii) None of the Directors on the Board has interse relationship with other Directors of the Company.

All material information are circulated to the directors before the meeting or placed at the meeting including minimum information as required under Regulation 17(7) read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has complete and unrestricted access to any information required by them to understand the transactions and take decisions. This enables the Board to discharge its responsibilities effectively and take informed decisions. The compliance report of all laws applicable to the Company as prepared and compiled by the Company Secretary is circulated to all the Directors alongwith the Agenda and placed/reviewed in each Board Meeting.

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same has been posted on the website of the Company which can be accessed on the Company's website at : http://www.birlaericsson.com/pdf/BEOL_REVISED_CODE_OF_CONDUCT.pdf. For the year under review, all Board Members and Senior Management Personnel of the Company have confirmed their adherence to the provisions of the said Code.

In accordance with Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information including brief resume and profile of a Director retiring by rotation and eligible for re-appointment at the ensuing 24th Annual General Meeting (AGM) are given in the Notice of AGM of the Company, annexed to this Annual Report.

3. AUDIT COMMITTEE :

The Audit Committee has been re-constituted from time to time over the years as per applicable legal and regulatory requirements. The Audit Committee as at March 31, 2016 consists of four Independent Non-Executive Directors as specified below:

Name of the Member	Designation	Category
Mr. R.C.Tapuriah	Chairman	(Independent Non-Executive Director)
Dr. Aravind Srinivasan	Member	(Independent Non-Executive Director)
Mr. Arun Kishore*	Member	(Independent Non-Executive Director)
Mr. K.Raghuraman	Member	(Independent Non-Executive Director)

*Mr.Arun Kishore was unanimously elected as Chairman of the Audit Committee Meeting held on February 10, 2016 and March 23, 2016 in the absence of Mr.R.C.Tapuriah.

All the members of the Audit Committee are financially literate and possess expertise in accounting and financial management.

The Secretary of the Company acts as the Secretary to the Audit Committee.

The role of Audit Committee and information being reviewed by the Audit Committee is in accordance with Regulation 18(3) read with Part-C of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013 and Terms of Reference of Audit Committee, inter alia, include the following:

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
- (v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in

the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the company with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) To review the functioning of the Whistle Blower mechanism;
- (xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
- (xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Details of meetings of the Audit Committee held during the year and attendance thereof are given below:

Name of the Members	Meetings held and attendance particulars				
	May 15, 2015	August 10, 2015	November 5, 2015	February 10, 2016	March 23, 2016
Mr. R.C. Tapuria	Yes	Yes	Yes	No	No
Dr. Aravind Srinivasan	Yes	Yes	Yes	No	No
Mr. Arun Kishore	Yes	Yes	Yes	Yes	Yes
Mr. K. Raghuraman	Yes	Yes	Yes	Yes	Yes

The meeting of the Audit Committee is attended by the Secretary of the Committee and the necessary quorum was present at all the meetings. The Statutory Auditors are permanent invitees to the Audit Committee Meetings. The Internal Auditors and Cost Auditors, as needed, are also invitees to the Meetings. Manager & Chief Executive Officer and other invited executives also attended the meetings to answer and clarify the issues raised at the meetings.

4. NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee constituted by the Board of Directors of the Company, acts in consonance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part-D of Schedule-II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Nomination and Remuneration Committee as approved by the Board of Directors are briefly set out below:

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal;
- to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- to formulate criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every director's performance; and
- to devise a policy on Board diversity.

During the year under review, there was no agenda items necessitating the requirement for conveying the meeting of Nomination and Remuneration Committee of the Company. The Composition of Nomination and Remuneration Committee is as under:

Name of the Members	Designation	Category
Mr. R.C.Tapuriah	Chairman	Independent Non-Executive Director
Mr. D.R.Bansal	Member	Non-Executive Director
Dr. Aravind Srinivasan	Member	Independent Non-Executive Director

The Company Secretary of the Company acts as Secretary of the Committee. The Minutes of the Meeting of the Nomination and Remuneration Committee Meeting were noted at the Board Meeting.

The criteria for performance evaluation as specified by the Nomination and Remuneration Committee cover the areas relevant to the functioning as Independent Director such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Director(s) who is subject to evaluation did not participate.

4.1 Remuneration Policy

The Company's Remuneration Policy, inter alia, provides a framework for remuneration to the members of the Board of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs). The said Policy earmarks the principles of remuneration to enable the Company to provide a well-balanced and performance related compensation package to KMPs/SMPs, taking into account shareholders' interests, industry practices and relevant corporate regulations in India. The remuneration for the Senior Management including Manager & CEO and other KMPs mainly consists of salary, allowances, benefits, perquisites and retirement/post-retirement benefits which are fixed components. The overall performance of the individual is a key consideration when determining salary increases. The competitive remuneration package for the Manager & CEO is recommended by the Nomination and Remuneration Committee to the Board for its consideration, based on criteria laid down in the Remuneration Policy. Independent Directors/Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of expenses for participation in the Meeting(s) of the Board of Directors of the Company or any duly constituted Committee thereof and/or such other payments/benefits (excluding stock options, if any), subject to the governing provisions of the Companies Act, 2013 and rules made thereunder. Further, the maximum remuneration payable to Manager & CEO or maximum overall remuneration payable to all Directors including Executive Director shall be within overall limits as defined in the Companies Act, 2013 and rules framed thereunder read with Circulars/Guidelines issued by the Central Government and other authorities from time to time, subject to such approvals of shareholders and Central Government, as and when required. The premium paid by the Company for the Directors and Officers Liability Insurance Policy taken by the Company on behalf of its Directors for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust is not treated as part of the remuneration.

4.2 Remuneration of Directors

Apart from payment of Sitting Fees for attending the Meetings of the Board of Directors and /or Committee thereof, no other remuneration is paid to Independent/Non-executive Directors of the Company.

The details of remuneration of Non-Executive Directors for the financial year ended March 31, 2016 are set out below:-

Name of the Non-Executive Director	Sitting Fees (Rs. in lacs)
Mr.Harsh V.Lodha	1.60
Mr.D.R.Bansal	1.35
Mr.R.C.Tapuriah	2.55
Dr.Aravind Srinivasan	2.55
Mr.Arun Kishore	3.60
Mr.K.Raghuraman	3.60
Mrs.Archna Kapoor	1.60

- Notes: (i) Sitting fees include fees paid for attending Committee Meetings.
(ii) The Company does not have any scheme for grant of Stock Options to its Directors or other employees.
(iii) None of the employees is related to any of the Directors of the Company.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE :

The Stakeholders Relationship Committee constituted by the Board of Directors of the Company is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Stakeholders Relationship Committee as approved by the Board of Directors are briefly set out below:

- to consider and resolve the grievances of security holders of the Company;
- to approve or authorise transfer/transmission/refusal of transfer/consolidation/sub-division/ dematerialisation or rematerialisation of equity shares of the Company;
- to approve issuance of duplicate share certificate(s), issue of fresh certificate(s) on consolidation/sub-division of share Certificate(s) and also for issuance of share Certificate(s) on rematerialisation of equity shares of the Company; and

- to redress stakeholders grievances pertaining to non-receipt of balance sheet, non receipt of declared dividends/ interest/deposits, etc.

During the year two meetings of the Stakeholders Relationship Committee were held on May 15, 2015 and November 05, 2015. The composition of the Stakeholders Relationship Committee and the details of meeting attended by the members thereof are as follows –

Name of the Members	Designation	Category	No. of Meetings attended
Mr. R.C.Tapuriah	Chairman	Independent Non-Executive Director	2
Mr. D.R.Bansal	Member	Non-Executive Director	2
Dr. Aravind Srinivasan	Member	Independent Non-Executive Director	2

Mr. Somesh Laddha, Company Secretary also functions as the Compliance Officer.

During the year under review, twenty three (23) complaints (excluding those correspondences which are not in the nature of complaints) were received from shareholders and investors, directly or through regulatory authorities. All the complaints have been attended/resolved to the satisfaction of complainants during the year except in cases which are constrained by disputes or legal impediments or other sub-judice matters, if any. No request for share transfer was pending for approval as on March 31, 2016.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Corporate Social Responsibility Committee was constituted by the Board of Directors of the Company in pursuance to the provisions of Section 135 of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The terms of reference of the Corporate Social Responsibility Committee of the Company are as under:

- to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VIII of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- to recommend the amount of expenditure to be incurred on the activities referred to in Clause (i) in a financial year;
- to monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- any other matter/things as may be considered expedient by the members in furtherance of and to comply with the Corporate Social Responsibility Policy of the Company.

During the year one meeting of the Corporate Social Responsibility Committee was held on November 05, 2015. The Composition and the attendance of Directors this meeting are as under:

Name of the Members	Designation	Category	Meeting attended
Mr. D.R.Bansal	Chairman	Non-Executive Director	Yes
Mr. R.C.Tapuriah	Member	Independent Non-Executive Director	Yes
Dr. Aravind Srinivasan	Member	Independent Non-Executive Director	Yes

7. INDEPENDENT DIRECTORS' MEETING :

During the year under review, a separate meeting of Independent Directors was held on March 23, 2016, inter alia, to discuss:

- evaluation of the performance of Non-Independent Directors and Board of Directors as a whole;
- evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and necessarily perform its duties.

All the Independent Directors of the Company except Mr. R.C. Tapuriah and Dr. Aravind Srinivasan were present at the meeting.

8. PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS :

Pursuant to the governing provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a formal annual evaluation was carried out by the Board of its own performance and that of its committees and Independent Directors. During the year under review, one meeting of the Independent Directors was held, without the presence of Non-Independent Directors and members of the management, wherein the performance of Non-Independent Directors, Chairman (Non-executive) and the Board of Directors as a whole were reviewed. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The performance evaluation of Committees and Independent Directors was carried out by the entire Board, excluding the Director being evaluated, interalia, taking into account the criteria for evaluation formulated by the Nomination and Remuneration Committee. The Board of Directors also reviewed and discussed the annual performance evaluation of Directors carried out by the Nomination and Remuneration Committee. The Board, its Committees and Directors evaluation provided a formal process of communication in raising issues that might not otherwise be vetted by the Board, with the underlying objectives to develop an action plan to enhance the Board performance, interalia, by ensuring compliance with the requirements of the Companies Act, 2013 and code of corporate governance as enshrined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The structured evaluation process was focused on identifying areas of improvement, if any, such as creating balance of power between the Board and management, long term strategy, more effectively fulfilling the Board's oversight responsibilities, the adequacy of committee(s) structures, the assessment of Board culture to ascertain whether the same is conducive to attract right individuals to join the Board and updating the evaluation process itself.

A review of fiduciary duties of the Board, governance policy adopted by the Company and acquaintance and familiarisation of Independent Directors with the Company and its business model, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. and contribution by each Director, Committees of the Board was also carried out during the process of evaluation.

The final evaluation was thereafter deliberated and assessed taking into account inputs from the Board about evaluation of Independent Directors and various Committees of the Board and suggesting action plan for further enhancing Board performance and plan for next Board, its Committee(s) and individual Directors evaluation.

9. GENERAL BODY MEETINGS :

Location and time where General Body Meetings were held in last three years are given below:

Financial Year	Venue of the Meeting	Type of Meeting	Date of Meeting	Time of Meeting
2014-15	Registered Office of the Company - Udyog Vihar, P.O. Chorhata, Rewa - 486 006 (M.P.)	23 rd AGM	July 23, 2015	12.30 p.m.
2013-14	Same as above	22 nd AGM	Aug. 12, 2014	4.30 p.m.
2012-13	Same as above	21 st AGM	July 9, 2013	5.00 p.m.

All the resolutions set out in the respective notices of the above mentioned meetings were passed by the members as ordinary resolutions.

Except five proposed resolutions as succinctly set out herein, none of the other Businesses proposed to be transacted in the ensuing 24th Annual General Meeting requires passing a Special Resolution or through Postal Ballot mandatorily: (a) Authority to the Board of Directors pursuant to Section 186 of the Companies Act, 2013 for giving any loan or guarantee or providing security in connection with a loan, to any person or other body corporate or to make investment securities of any other body corporate for an amount not exceeding the limit of Rs.2500 Crores; (b) Place of keeping Register of Members, Index of Members and any other Register required to be maintained under Section 88 of the Companies Act, 2013 at Mumbai (Maharashtra) instead of Registered office of the Company pursuant to Section 94 of the Companies Act, 2013; (c) Approval for change of name of the Company from "Birla Ericsson Optical Limited" to "Birla Cable Limited"; (d) Alteration in the Memorandum of Association of the Company; and (e) Adoption of new set of Articles of Association of the Company based on Table-F of Schedule I of the Companies Act, 2013.

RESOLUTIONS PASSED THROUGH POSTAL BALLOT :

(a) Ordinary Resolution:

During the financial year 2015-16, the Company had taken unrelated Members consent/approval by way of Ordinary Resolution through postal ballot pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2015 to confer authority on the Board of Directors of the Company to enter into contracts/arrangements/ transactions upto a maximum amount of Rs.200 Crores per financial year, with Birla Furukawa Fibre Optics Private Limited, a Related Party.

The result was announced at the registered office of the Company on January 14, 2016. Summary of the voting pattern was as under:

Description	No. of valid vote cast	Percentage of vote cast
Total number of votes cast in favour of the resolution	2292933	99.68
Total number of votes cast against the resolution	7499	0.32

The above Ordinary Resolution was passed with the requisite majority. All the related parties abstained in the voting for the said ordinary resolution. The procedure prescribed under Section 110 of the Companies Act, 2013

read with the Companies (Management and Administration) Rules, 2014 were duly followed for the Postal Ballot while seeking approval/consent of Members on the above item of special business. Mr.R.S.Bajaj, Practicing Company Secretary was appointed as Scrutinizer for business transacted under the Postal Ballot Notice dated November 5, 2015.

(b) Special Resolutions passed through Postal Ballot:

During the financial year 2014-15, the Company had obtained consent/approval of the members by way of Special Resolution(s) through postal ballot –

- (i) Increase in the borrowing powers/limit of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 upto an amount not exceeding in aggregate Rs.700 Crores outstanding at any time.;
- (ii) Authority to the Board of Directors pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation of charge / mortgages / hypothecations / pledges/other security etc. in any form on the Company's assets, both present and future, for securing the borrowings for an amount not exceeding the limit of Rs.700 Crores.; and
- (iii) to give Loan(s)/Guarantee(s) or provide securities in connection with Loan(s) to any other body corporate or person and/or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate.

The aforesaid approval was sought as required under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 for which a separate postal ballot papers and other communications were circulated to all eligible members/shareholders of the Company. The above resolutions were passed with requisite majority.

10. DISCLOSURES :

- (a) There were no materially significant related party transactions during the financial year 2015-16 which are considered to have potential conflict with the interests of the Company at large. Particulars and nature of transactions with the related parties in summary form, entered into during the year ended March 31, 2016, in the ordinary course of business of the Company and at arm's length basis are disclosed in compliance with the Accounting Standard on "Related Party Disclosures" in Note No. 38 of Notes to financial statements in the Annual Report.
- (b) The Company has complied with the requirements of Stock Exchanges, Securities and Exchange Board of India and other statutory authorities /regulatory on matters relating to capital markets during the last three years and consequently no penalties or strictures have been imposed on the Company by any of these authorities.
- (c) The Company has adopted a Vigil Mechanism/Whistle Blower Policy for developing a culture where it is safe for all Directors/employees to raise concerns about any unacceptable practice and any event of misconduct. The Policy allows unrestricted access to all employees and others to approach the Audit Committee and there has been no instance during the year where any personnel has been denied access to the Audit Committee. The quarterly report with number of complaints received, if any, under the policy and their outcome is placed before the Audit Committee.
- (d) The Company has generally complied with all the mandatory requirements as stipulated under Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Company.
- (e) The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said Policy is available on the website of the Company and can be accessed through weblink : http://www.birlaericsson.com/pdf/ RPTPolicy%20_BEOL.pdf.
- (f) In the preparation of the financial statements for the year under review, no accounting treatment which was different from that prescribed in the Accounting Standards was followed. The significant accounting policies applied in preparation and presentation of financial statements have been set out in Note No.2 of Notes to financial statements in the Annual Report.
- (g) The Company has laid down procedures to inform the Board members about the risk assessment and minimization procedures covering the entire gamut of business operations of the Company including but not limited to commodity price risk. These procedures are periodically reviewed to ensure that executive management controls risks by means of a properly defined framework.
- (h) The designated senior management personnel of the Company have disclosed to the Board that no material, financial and/or commercial transactions have been entered into during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large. Further, none of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company other than sitting fees payable to them. Disclosure of transactions in the ordinary course of business and at arm's length with an enterprise over which a non-executive director is able to exercise significant influence has been made under "Related Party Transactions" in the Notes to the Financial Statements.
- (i) In accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure



Requirements) Regulations, 2015, the Manager & CEO and the Chief Financial Officer have furnished a duly signed Compliance Certificate to the Board of Directors for the year ended March 31, 2016.

- (j) In accordance with the Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by Insiders as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015, Mr. Somesh Laddha, Company Secretary has been designated as the Compliance Officer of the Company under the Company's Code of Conduct for Prevention of Insider Trading. He is responsible for adherence to and ensuring compliance with the Code by the Company and its designated employees.
- (k) The Company also has a familiarization programmes/arrangements for its Independent Directors about the nature of operation/business of the Company and also the roles and responsibilities of Independent Directors, which can be accessed at: http://www.birlaericsson.com/pdf/familiarisation_programme_BEOL.pdf.
- (l) Mr. R.C. Tapuriah, Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee could not attend the 23rd Annual General Meeting (AGM) held on July 23, 2015 due to illness. Hence, he authorised Mr. R. Sridharan, Manager & CEO as his authorised representative to attend the AGM to answer shareholders' queries.
- (m) The Company has presently not adopted certain discretionary requirements in regard to maintenance of Non-Executive Chairman's office, sending half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders and reporting of internal auditors directly to the Audit Committee. However, other discretionary requirements viz. separate persons to the post of the Chairman and Manager/Chief Executive Officer and regime of financial statements with unmodified audit opinion, have generally been complied with.

11. MEANS OF COMMUNICATION:

(a) Quarterly Financial Results:

Quarterly financial results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirements of the Listing Agreements/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Newspapers wherein results are normally published:

English Newspaper – Financial Express (all editions)
Vernacular Newspaper – Dainik Jagran (Rewa edition)

(c) Any website, where displayed: www.birlaericsson.com

(d) Whether it also displays official news releases : No

(e) The presentations made to institutional investors or to the analysis : Nil

12. GENERAL SHAREHOLDER INFORMATION:

12.1 **Company Registration Details** : L31300MP1992PLC007190

12.2 **Annual General Meeting:**

- Date and Time : August 19, 2016 at 10.00 A.M.
- Venue : Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa – 486 006 (M.P.)

12.3 **Financial Year** Begins on 1st April and ends on 31st March of the following year.

12.4 **Financial Calendar (2016-17):** :

- (tentative)
- Quarterly Financial Results ending June 30, 2016 : Second week of August, 2016
- ending September 30, 2016 : Second week of November, 2016
- ending December 31, 2016 : Second week of February, 2017
- ending March 31, 2017 : Third week of May, 2017

12.5 **Book Closure date(s)** : Friday, 12th August, 2016 to Friday, 19th August, 2016 (both days inclusive)

12.6 **Dividend Payment date** : On or after 23rd August, 2016

12.7 **Listing on Stock Exchanges**

- (a) BSE Ltd. (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001
- (b) The National Stock Exchange of India Ltd. (NSE), Exchange Plaza, Plot No.C/1, G.Block, Bandra-Kurla Complex, Bandra East, Mumbai-400 051

The Company has timely paid the annual listing fees for the financial year 2015-16 as well as 2016-17 to BSE & NSE.

**12.8 Stock Code – Physical**

: BSE, Mumbai - 500060
NSE, Mumbai - BIRLAERIC EQ

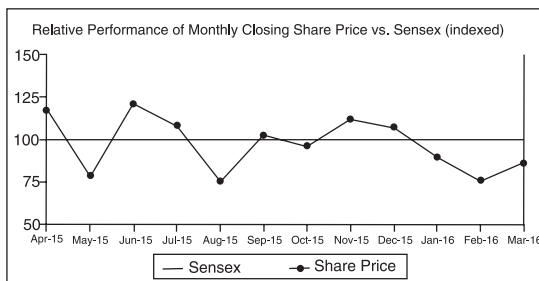
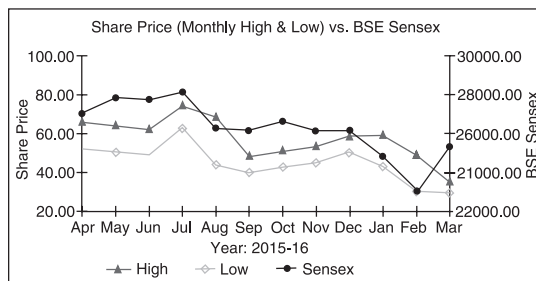
Demat ISIN Number for NSDL & CDSL

: INE800A01015

12.9 Market Price Data :

Monthly high and low quotations of shares and Volume of Equity Shares traded on BSE Limited (BSE), Mumbai and The National Stock Exchange of India Ltd, (NSE), Mumbai are as follows :

Month	BSE			NSE		
	High (in Rs.)	Low (in Rs.)	Monthly Volume (in Nos.)	High (in Rs.)	Low (in Rs.)	Monthly Volume (in Nos.)
April, 2015	66.00	52.00	216614	67.00	52.05	172599
May, 2015	64.30	50.30	133842	66.00	49.10	203554
June, 2015	62.05	49.05	189378	62.20	49.00	153305
July, 2015	74.50	63.05	434894	74.00	62.00	446046
August, 2015	68.50	44.00	320068	69.30	42.40	347917
September, 2015	48.20	40.00	125191	48.15	39.50	227191
October, 2015	50.85	42.80	130559	50.90	43.00	107793
November, 2015	53.45	45.05	123626	53.00	45.15	133960
December, 2015	59.00	50.55	193656	58.70	48.75	179505
January, 2016	59.10	43.15	115676	57.40	43.10	92058
February, 2016	49.00	30.45	334880	49.95	30.50	168456
March, 2016	35.10	29.35	367710	35.30	29.60	285806

12.10 Share price performance in comparison to broad-based indices - BSE Sensex:**12.11 Registrar and Share Transfer Agents**

:

Messrs Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078

Phone : +91-22-25946970

Fax : +91-22-25946969

Email : rnt.helpdesk@linkintime.co.in

12.12 Share Transfer System :

As per notification issued by the Securities and Exchange Board of India (SEBI), the trading in Company's equity shares on the stock exchanges is permitted only in dematerialised form for all classes of investors.

All transactions in connection with transfer, transmission, etc. are processed by the Registrar and Share Transfer Agents of the Company on weekly basis and the same are placed before the Committee of Directors/Committee of Officers, as the case may be, for approval at regular interval. With a view to expedite the process of share transfer in physical segment, the Board of Directors has delegated the authority to a Committee of Officers for approving transfer upto 1000 equity shares in each request. Further, to expedite the process of share transfer, the powers for processing of share transfer have been delegated to the Registrar and Share Transfer Agent of the Company in compliance with SEBI Circular No. CIR/MIRSD/8/2012 dated 05.07.2012. A summary of transfer/transmission of equity shares



so approved by the Committee of officers is placed at every Board Meeting on quarterly basis. The process of share transfer requests in physical form including despatch of share certificates is completed within 15 days on receipt of duly completed documents in all respects. The request for dematerialisation of equity shares is generally confirmed/ rejected within an average period of 15 days. The Company obtains from a Company Secretary in practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges & Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

The Company's representatives visit the office of the Registrar and Share Transfer Agents from time to time to monitor, supervise and ensure that there are no delays or lapses in the system.

12.13(a) Distribution of Shareholding as on 31st March, 2016 :

No. of Equity Shares held	Number of Shareholders	% of shareholders	Number of shares held	% of shareholding
1 - 500	25555	91.70	3467261	11.56
501 - 1000	1120	4.02	946907	3.16
1001 - 2000	503	1.80	788030	2.63
2001 - 3000	216	0.78	558952	1.86
3001 - 4000	101	0.36	363674	1.21
4001 - 5000	116	0.42	552952	1.84
5001 - 10000	156	0.56	1137649	3.79
10001 and above	98	0.36	22184575	73.95
GRAND TOTAL	27865	100.00	30000000	100.00
Physical Mode	11105	39.85	9639715	32.13
Electronic Mode	16760	60.15	20360285	67.87

(b) Category of Shareholders as on 31st March, 2016 :

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Indian Promoter & Promoter Group	16	0.06	11655743	38.85
Foreign Promoter	1	-	8250000	27.50
Mutual Funds/Financial Institutions/ Banks	8	0.03	3120	0.01
Individuals	26870	96.43	8139249	27.13
Trusts/Hindu Undivided Family	405	1.46	560981	1.87
Non Resident Indian	175	0.63	315252	1.05
Director's Relative	1	-	5100	0.02
Persons Acting in Concert	6	0.02	91340	0.30
Unclaimed Shares	1	-	4410	0.01
Clearing Members	72	0.26	85078	0.29
Bodies Corporate	310	1.11	889727	2.97
GRAND TOTAL	27865	100.00	30000000	100.00

12.14 Dematerialisation of Shares and liquidity: 20360283 equity shares representing 67.87% of the total Equity Capital of the Company are held in a dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services(India) Limited(CDSL) as on 31st March, 2016.

Company's shares are reasonably liquid and quite actively traded on the Bombay Stock Exchange Ltd.(BSE) and The National Stock Exchange of India Ltd.(NSE). Relevant data for the approximate average daily turnover in terms of volume for the financial year 2015-16 is given below :

BSE	NSE	BSE+NSE
10875	10195	21070

(Source: This information is compiled from the data available from the websites of BSE and NSE)



12.15 Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, Conversion date and likely Impact on equity: The Company has not issued any of these instruments so far.

12.16 Transfer of Shares in Unclaimed Suspense Account: Pursuant to Regulation 39(4) read with Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares where were issued in physical form from time to time. The details of such unclaimed shares are as under:

Sl. No.	Particulars	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares lying in the unclaimed securities suspense account at the beginning of the year	46	4410
2	Number of shareholders who approached the issuer for transfer of shares from the unclaimed securities suspense account during the year	Nil	Nil
3	Number of shareholders to whom shares were transferred from the unclaimed securities suspense account during the year	Nil	Nil
4	Aggregate number of shareholders and the outstanding shares lying in the unclaimed securities suspense account at the end of the year	46	4410

The voting rights on the shares outstanding in the unclaimed securities suspense account as on March 31, 2016 shall remain frozen till the rightful owner of such shares claims the shares.

Wherever the shareholders have claimed the shares, after proper verification, the share certificates were dispatched to them or credited the shares to the respective beneficiary account.

12.17 Unclaimed Dividends: The amount of dividends remaining unpaid/unclaimed for seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As of now, no amount is yet due for transfer to IEPF. The unpaid/unclaimed dividend details are available on the website of the Company on www.birlaericsson.com.

12.18 Plant Locations: Udyog Vihar Industrial Area, P.O. Chorhata, Rewa (M.P.) - 486 006, India

12.19 Address for Correspondence :

Messrs Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup, West, Mumbai - 400 078
Phone : +91-22-25946970
Fax : +91-22-25946969
Email : rnt.helpdesk@linkintime.co.in

OR

Share Department,
Birla Ericsson Optical Ltd.,
Udyog Vihar, P.O. Chorhata, Rewa(M.P.) - 486 006
Phone : +91-7662-400580
Fax : +91-7662-400680
Email : headoffice@birlaericsson.com;
investorservices@birlacables.com



CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is stated that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management, for the financial year ended 31st March, 2016.

For Birla Ericsson Optical Limited

Place : Mumbai
Date : May 3, 2016

R. Sridharan
Chief Executive Officer

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE

To the Members of Birla Ericsson Optical Limited

1. We have examined the compliance of regulations of Corporate Governance as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by Birla Ericsson Optical Limited ("the Company") for the year ended 31st March, 2016.
2. The Compliance of regulations of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Place : New Delhi
Date : May 18, 2016

R. Raguraman
Partner
Membership No. 081350



Independent Auditors' Report

TO THE MEMBERS OF BIRLA ERICSSON OPTICAL LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of **Birla Ericsson Optical Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cashflows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report express an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the “Annexure B” a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Place : New Delhi
Date : May 18, 2016

R.Raghuraman
Partner
Membership No. 081350

Annexure “A” to the Independent Auditors’ Report

(Referred to in Paragraph 1(f) under ‘Report on Other Legal and Regulatory requirements’ of our report on even date)

Report on the Internal Financial Controls over Financial Reporting under Clause(i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the



assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Place : New Delhi
Date : May 18, 2016

R.Raghuraman
Partner
Membership No. 081350

Annexure "B" to the Independent Auditors' Report

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report on even date).

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Major items of fixed assets were physically verified during the year by the management in accordance with regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and representation obtained from the management the title deeds of immovable properties are held in the name of the Company.
Immovable properties whose title deeds have been mortgaged as security for loans, guarantees, etc., are held in the name of the Company based on the confirmations/Memorandum of entry of Mortgage of Mortgage by deposit of Title Deeds received from lenders.
- ii The inventories, except goods-in-transit, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on physical verification.
- iii The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties required to be covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable.



- iv The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to parties covered under Section 186.
- v The Company has not accepted deposits from the public in accordance within the provisions of sections 73 to 76 of the Act and the rules framed there under.
- vi We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records for the year with a view to determine whether they are accurate and complete.
- vii (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2016, which were outstanding for a period of more than six months from the date they became payable. We are informed that there is no liability on account of Employees' state insurance.
- (b) There are no disputed dues which have remained unpaid as on 31st March, 2016 in respect of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax except as follows.

Name of the Statute	Nature of dues	Forum where Dispute is pending	Period to which amount relates	Amount Involved (Rs. in lacs)
MP VAT Act, 2003	Demand of Interest on alleged payment of deferred sales tax loan/liability	MP Commercial Tax Appellate Board	FY 2011-12	86.86

- viii On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to banks. The Company does not have any loans or borrowings from financial institution, government or debenture holders in the books of accounts at any time during the year.
- ix The Company did not raise any money by way of initial / further public offer (including debt instruments) and term loans taken during the year have been applied for the purpose for which they were obtained.
- x Based on the audit procedure performed and the representation obtained from the management, no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.
- xi According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- xv According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- xvi In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Place : New Delhi
Date : May 18, 2016

R. Raghuraman
Partner
Membership No. 081350



BALANCE SHEET AS AT 31st March, 2016

	Note No.	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	3000.00	3000.00
Reserves and Surplus	4	6172.83	5685.90
		<u>9172.83</u>	<u>8685.90</u>
NON-CURRENT LIABILITIES			
Long-term Borrowings	5	1641.71	1358.69
Deferred Tax Liabilities (Net)	6	522.00	377.00
Long-term Provisions	7	165.80	144.58
		<u>2329.51</u>	<u>1880.27</u>
CURRENT LIABILITIES			
Short-term Borrowings	8	4708.18	4385.96
Trade Payables	9		
-Payable to Micro Enterprises and Small Enterprises		301.91	182.36
-Other Payables		5257.25	4542.34
Other Current Liabilities	10	873.58	1679.99
Short-term Provisions	11	522.86	470.29
		<u>11663.78</u>	<u>11260.94</u>
Total		<u>23166.12</u>	<u>21827.11</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	12		
Tangible Assets		6106.00	4107.10
Capital Work-in-Progress		3.40	93.36
		<u>6109.40</u>	<u>4200.46</u>
Non-current Investments	13	1906.03	1406.19
Long-term Loans and Advances	14	537.64	646.29
Other Non-current Assets	15	31.26	121.66
		<u>8584.33</u>	<u>6374.60</u>
CURRENT ASSETS			
Inventories	16	4464.12	4376.53
Trade Receivables	17	7573.08	8168.13
Cash and Cash Equivalents	18	1083.20	1018.79
Short-term Loans and Advances	19	817.42	892.91
Other Current Assets	20	643.97	996.15
		<u>14581.79</u>	<u>15452.51</u>
Total		<u>23166.12</u>	<u>21827.11</u>

The accompanying notes 1 to 45 form an integral part of the Financial Statements.

As per our attached report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No.081350

Harsh V.Lodha
(DIN: 00394094)
D.R.Bansal
(DIN: 00050612)
R.C.Tapuriah
(DIN: 00395997)
Aravind Srinivasan
(DIN: 00088037)
Arun Kishore
(DIN: 00177831)
K.Raghuraman
(DIN: 00320507)
Archana Kapoor
(DIN: 01204170)
R.Sridharan
Somesh Laddha

Chairman

Directors

Manager & CEO

DGM (Finance & Accounts) & Secretary

New Delhi, May 18, 2016

New Delhi, May 18, 2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2016**

	Note No.	For the year ended 31 st March, 2016 Rs. in lacs	For the year ended 31 st March, 2015 Rs. in lacs
REVENUE			
Revenue from Operations (Gross)	21	27314.58	28914.00
Less: Excise Duty		2336.20	2524.35
Revenue from Operations (Net)		24978.38	26389.65
Other Income	22	266.29	372.74
Total Revenue		25244.67	26762.39
EXPENSES			
Cost of Raw Materials Consumed	23	17824.87	19379.64
Purchase of Traded Goods		17.64	172.22
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods, etc.	24	254.13	27.21
Employee Benefits Expense	25	1418.34	1220.88
Finance Costs	26	652.08	830.24
Depreciation and Amortisation Expense		717.01	597.52
Other Expenses	27	2824.48	2687.80
Total Expenses		23708.55	24915.51
PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		1536.12	1846.88
Exceptional Item (Refer Note No. 30)		477.52	-
PROFIT BEFORE TAX		1058.60	1846.88
Tax Expense/(Credit)			
-Current Tax (MAT)		226.87	580.00
Less: Minimum Alternate Tax (MAT) Credit Entitlement		(161.27)	(14.72)
Net Current Tax		65.60	565.28
-Deferred Tax Charge		145.00	32.00
Total Tax Expense		210.60	597.28
PROFIT FOR THE YEAR		848.00	1249.60

Earning Per Equity Share (EPS)

Basic and Diluted EPS (Nominal value of Shares Rs.10/- each)	28	2.83	4.17
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The accompanying notes 1 to 45 form an integral part of the Financial Statements.

As per our attached report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No.081350

Harsh V.Lodha
(DIN: 00394094)
D.R.Bansal
(DIN: 00050612)
R.C.Tapuriah
(DIN: 00395997)
Aravind Srinivasan
(DIN: 00088037)
Arun Kishore
(DIN: 00177831)
K.Raghuraman
(DIN: 00320507)
Archana Capoor
(DIN: 01204170)
R.Sridharan
Somesh Laddha

Chairman

Directors

Manager & CEO

DGM (Finance & Accounts) & Secretary

New Delhi, May 18, 2016

New Delhi, May 18, 2016



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

		For the year ended 31 st March, 2016		For the year ended 31 st March, 2015
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax		1058.60		1846.88
Adjustments for :				
Depreciation/Amortization	717.01		597.52	
(Profit)/Loss on Disposal of Fixed Assets (Net)	0.88		4.34	
(Gain)/Loss on Unrealised Foreign Exchange Rate Fluctuations (Net)	0.32		(111.07)	
Interest Income	(245.81)		(205.76)	
Dividend Income	(0.02)		(0.02)	
Interest Expense	547.55	1019.93	646.14	931.15
Operating Profit/(Loss) before Working Capital Changes		2078.53		2778.03
Movement in Working Capital:				
Increase/(Decrease) in Trade Payables and Provisions	(192.15)		(3351.94)	
Decrease/(Increase) in Trade Receivables	598.39		1231.56	
Decrease/(Increase) in Inventories	(87.59)		964.60	
Decrease/(Increase) in Loans and Advances	374.22	692.87	(705.04)	(1860.82)
Cash Generated from/(Used in) Operations		2771.40		917.21
Direct Taxes Paid (Net of Refunds)		86.92		(162.17)
Net Cash Flow from/(used in) Operating Activities (A)		2858.32		755.04
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(2570.62)		(890.73)	
Proceeds from Sale of Fixed Assets	29.21		93.56	
(Investment)/Maturity of Bank Deposits	753.90		(362.17)	
Investment in Equity Shares	(499.84)		-	
Interest Received	254.47		187.92	
Dividend Received	0.02		0.02	
Net Cash Flow from/(used in) Investing Activities (B)		(2032.86)		(971.40)



	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
	Rs. in lacs	Rs. in lacs

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016 (Contd.)

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Long-term Borrowings	1782.68	-
(Repayment) of Long-term Borrowings	(1310.49)	(62.65)
Proceeds/(Repayment) from Short-term Borrowings	322.22	1203.35
Interest Paid	(540.56)	(650.17)
Dividend Paid	(351.40)	(341.27)
Net Cash Flow from/(used in) Financing Activities (C)	(97.55)	149.26
Net Increase/(Decrease) in Cash and Cash Equivalents	727.91	(67.10)
Cash and Cash Equivalents at the beginning of the year	102.38	169.48
Cash and Cash Equivalents at the end of the year (Refer Note No. 18)	830.29	102.38
Components of Cash and Cash Equivalents:		
Cash on Hand	2.72	1.00
Cheques, Drafts on Hand	37.01	81.11
In Current Accounts	771.17	10.55
In Unpaid Dividend Account*	19.39	9.72
	830.29	102.38

* The balances are not available for use by the Company as they represent unclaimed dividend liabilities.

- (a) Difference of Rs. 284.17 lacs (Rs. 1038.07 lacs) compared with Note No.18 represents Term Deposit Accounts held for short term with an original maturity of three months or more.
- (b) The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard (AS-3) on Cash Flow Statement.
- (c) Negative figures have been shown in brackets.

As per our attached report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No.081350

Harsh V.Lodha
(DIN: 00394094)

D.R.Bansal
(DIN: 00050612)

R.C.Tapuriah
(DIN: 00395997)

Aravind Srinivasan
(DIN: 00088037)

Arun Kishore
(DIN: 00177831)

K.Raghuraman
(DIN: 00320507)

Archana Kapoor
(DIN: 01204170)

R.Sridharan

Somesh Laddha

New Delhi, May 18, 2016

Chairman

Directors

Manager & CEO

DGM (Finance & Accounts) & Secretary

New Delhi, May 18, 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**1. NATURE OF OPERATIONS**

BIRLA ERICSSON OPTICAL LIMITED'S operations are predominantly classified into Wires and Cables comprising primarily Telecommunications Cables and other types of Wire and Cables.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of Preparation:**

The financial statements of the Company are prepared and presented as a going concern basis under the historical - cost convention and comply in all material respects with accounting principles generally accepted in India, the applicable Accounting Standards as notified under the relevant provisions of the Companies Act, 2013 as amended/ changed from time to time. All income & expenditure are accounted for on accrual basis except certain insurance claims and government subsidies/incentives, which are recognised on acceptance basis, as and when the amount whereof can be ascertained with reasonable certainty.

(b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make adjustments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the results of operations during the reporting year end. Although these estimates and associated assumptions are based upon historical experiences and various other factors besides management's best knowledge of current events and actions, actual results could differ from these estimates. The estimate and underlying assumptions are reviewed on a periodic basis. Any revision in the accounting estimate is recognised in the period in which the results are known/materialize.

(c) Revenue Recognition:

Revenue recognised to the extent that it is probable that the economic benefits will follow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

Revenue from the sale of products is recognised on transfer of all significant risks and rewards incidental to ownership to the customer which generally coincides with despatch of products to customers. Sale of products includes excise duty. Revenue to the extent of Price Variation disputes, if any, which are subjected to resolution through arbitration is recognized based on interim relief granted by a Court and/or after receipt of revenue in execution of the final award in favour of the Company, as the case may be.

Interest income is recognised on time proportion basis. Dividend income is recognised when the right to receive payment is established.

Export incentives, etc. are accounted for in the year of export.

(d) Fixed Assets including Intangible Assets:

Tangible Assets are stated at cost less accumulated depreciation and amortisation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use and adjustments arising from foreign exchange currency variation on monetary items attributable to depreciable fixed assets. Expenditure for additions, improvements, renewals and insurance spares (determined on the basis of irregular use) are capitalised and expenditure for repairs and maintenance are charged to the Statement of Profit and Loss. When assets are sold or discarded their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the Statement of Profit and Loss.

Intangible Assets are recorded at consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation.

(e) Depreciation and Amortisation:

Depreciation on Tangible Assets is provided on Straight Line Method based on the life of the asset specified in Schedule II of the Companies Act, 2013/useful life assessed based on technical evaluation of relevant class of assets, on pro-rata basis from the date, the assets are put to use. Depreciation on sale/disposal of assets is provided upto the month prior to the month in which the assets are sold or disposed off.

The Company has estimated the following useful life to provide depreciation on its Fixed Assets.

S.No.	Nature of Assets	Useful Life Considered
1	Leasehold Land (Over the Period of Lease)	30 to 99 Years
2	Buildings (as per Schedule II)	30/60 Years
3	Plant & Equipments (as per Technical Evaluation)	4 to 10 Years
4	Furniture & Fixtures (as per Schedule II)	10 Years
5	Office Equipments (as per Technical Evaluation)	3 Years
6	Vehicles (as per Schedule II)	8 Years

An intangible asset is measured at cost and amortised so as to reflect the pattern in which the assets economic benefits are consumed. The useful life has been estimated as five years.

(f) Impairment:

The carrying amount of the fixed assets is reviewed at each Balance Sheet date for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognised in the Financial Statement when the carrying amount of fixed assets exceeds the assessed estimated recoverable amount. The recoverable amount is the greater of assets' net selling price or its value in use. An impairment loss is reversed if there has been change in recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets.

(g) Government Grants and Subsidies:

Grants and subsidies (including industrial investment promotion incentives linked to fixed capital investment in plant and machinery) from the Government are recognised when there is reasonable assurance that the conditions attached to them will be complied and grants/subsidy will be received. Government subsidy/incentives inextricably based upon and linked to fixed capital investments in plant and machinery for setting up a new industrial undertaking or for substantial expansion/technological upgradation/diversification of an existing industrial undertaking where no repayment is stipulated, are credited to Capital Reserve.

(h) Investments:

Investments which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current (long-term) investments. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the Financial Statements at lower of cost and quoted/fair value determined on an individual investment basis. Non-current investments are stated/carried at cost. However, provision for diminution in the value of Non-current (long term) investments is made only if such decline is other than temporary. On sale of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(i) Leases:

Where the Company is the Lessor:

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc are recognised immediately in the Statement of Profit and Loss.

Where the Company is the Lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(j) Inventories:

Inventories except scrap materials are valued at lower of cost or net realisable value. Scrap materials are valued at estimated net realisable value. Cost is computed on the transaction moving weighted average basis and is net of cenvat/vat. Cost of finished goods and material under process is determined by taking direct materials, labour cost and related manufacturing overheads including depreciation based on normal operating capacity. Finished goods and scrap materials also include excise duty. Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

(k) Foreign Currency Transactions:

- (i) Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous Financial Statements, are recognised as income or as expense in the year in which they arise. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss, except exchange differences arising on the settlement of long-term monetary items or on reporting company's long-term monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are capitalised as part of the depreciable fixed assets to which the long-term monetary items relate and depreciated over the remaining balance life of such assets and in other cases amortised over the balance period of such long-term foreign currency monetary items.
- (ii) In case of forward exchange contracts, the premium or discount arising at the inception of such contracts is amortised as income or expense over the life of contract as well as exchange difference on such contract, i.e. difference between the exchange rate at the reporting/settlement date and the exchange rate on the date of inception/the last reporting date, is accounted for as income/expense for the period.

(l) Employee Benefits:

The Company makes regular contributions to recognised Provident Fund/Family Pension Fund and also to duly constituted and approved Superannuation Fund and Gratuity Fund, which are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Gratuity, Pension and Leave Encashment benefits payable as per Company's schemes are considered defined benefit schemes and charged to the Statement of Profit and Loss on the basis of actuarial valuation made at the end of each financial year by independent actuaries using Projected Unit Cost Method. For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions is made as determined by the independent actuaries. Actuarial gains and losses comprise experience adjustments and effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the year in which they arise. Ex-gratia or other amount disbursed on account of selective employees separation scheme are charged to the Statement of Profit and Loss.

(m) Borrowings Cost:

Interest and other borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other interest and borrowing costs are expensed in the period they accrue and occur.

(n) Taxes on Income:

Tax expense for the relevant period comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Deferred Tax is measured based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax is recognised, subject to consideration of prudence, on all timing differences between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. However, deferred tax assets arising on account of brought forward losses and unabsorbed depreciation are recognised only when there is virtual certainty of realisation of such assets backed by convincing evidence. Deferred tax assets are reviewed and assessed at the Balance Sheet date to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

(o) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised in the Accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the Financial Statements. Contingent Assets neither recognised nor disclosed in the Financial Statements.

(p) Cash and Cash Equivalents:

Cash and Cash equivalent in the cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.



As at
31st March, 2016
Rs. in lacs

As at
31st March, 2015
Rs. in lacs

3. SHARE CAPITAL

Authorised

4,25,00,000 (4,25,00,000) Equity Shares of Rs.10/- each	4250.00	4250.00
75,00,000 (75,00,000) Preference Share of Rs.10/- each	750.00	750.00
	<u>5000.00</u>	<u>5000.00</u>

Issued, Subscribed and Fully Paid-Up

3,00,00,000 (3,00,00,000) Equity Shares of Rs.10/- each, fully paid up	3000.00	3000.00
	<u>3000.00</u>	<u>3000.00</u>

- (a) Reconciliation of the number of equity shares and amount outstanding at the beginning of the year and at the end of the year :

Description	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares	Rs. In lacs	No. of Shares	Rs. In lacs
Equity Shares at the beginning of the year	30000000	3000.00	30000000	3000.00
Equity Shares at the end of the year	30000000	3000.00	30000000	3000.00

- (b) **Term/Right attached to Equity Shares:**

The Company has issued only one class of shares referred to as equity share having at par value of Rs.10/- per share ranking pari-passu. The holders of equity shares are entitled to one vote per share.

- (c) The Company has only one class of equity shares having nominal value of Rs.10/- each. The holders of equity shares are entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. For the year ended 31st March 2016, the amount of per share dividend recognised for distribution to equity shareholders was Re. 1/- per share, subject to approval of shareholders.

- (d) Details of shareholders holding more than 5% shares based on legal ownership in the subscribed share capital of the Company :

Name of the Shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Ericsson Cables AB, Sweden	8250000	27.50	8250000	27.50
Vindhya Telelinks Limited	4000100	13.33	4000100	13.33
Universal Cables Limited	3900100	13.00	3900100	13.00

As at
31st March, 2016
Rs. in lacs

As at
31st March, 2015
Rs. in lacs

4. RESERVES AND SURPLUS

Securities Premium Account

Opening Balance	2000.00	2000.00
Closing Balance	<u>2000.00</u>	<u>2000.00</u>

General Reserve

Opening Balance	1900.45	1600.45
Add : Transferred from Surplus in the Statement of Profit and Loss	-	300.00
Closing Balance	<u>1900.45</u>	<u>1900.45</u>

Surplus in the Statement of Profit and Loss

Opening Balance	1785.45	1196.92
Add : Profit for the year	848.00	1249.60
	<u>2633.45</u>	<u>2446.52</u>

Less: Appropriations

Transferred to General Reserve	-	300.00
Proposed Dividend on Equity Shares	300.00	300.00
Tax on Dividend on Equity Shares	61.07	61.07
	<u>361.07</u>	<u>661.07</u>

Closing Balance	<u>2272.38</u>	<u>1785.45</u>
	<u>6172.83</u>	<u>5685.90</u>



	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs
5. LONG-TERM BORROWINGS		
Secured		
Loans from Banks		
Term loan	299.61	37.50
Buyer's Credit (In Foreign Currency)	640.02	-
Supplier's Credit (In Foreign Currency)	117.00	389.99
Unsecured		
Loans from Others		
Supplier's Credit (In Foreign Currency)	927.55	-
From a Body Corporate	-	1000.00
	<u>1984.18</u>	<u>1427.49</u>
Less: Current Maturities of Long-term Borrowings at the year end (Disclosed under Note No. 10)		
Supplier's Credit (In Foreign Currency)	206.12	31.30
Term Loan	136.35	37.50
	<u>342.47</u>	<u>68.80</u>
	<u>1641.71</u>	<u>1358.69</u>
Secured from :		
(a) Term Loan, Buyer's Credit and Supplier's Credit from banks are secured by way of Hypothecation & Mortgage of entire Fixed Assets of the Company and are further secured by way of entire Current Assets of the Company, both present and future, on pari-passu basis with other banks in the consortium. As a collateral security the Term Loans, Buyer's Credit and Supplier's Credit are also backed by a cross corporate guarantee of Vindhya Telelinks Limited, a joint venturer.		
(b) Term Loan of Rs.299.61 lacs includes Term Loan from State Bank of India (SBI) of Rs. 288.46 lacs (Interest rate 12.60% p.a.) repayable in fifteen quarterly installments payable from June, 2016 and IDBI Bank Ltd. of Rs.11.15 lacs (Interest rate 12.00% p.a.) repayable in two quarterly installments payable from June, 2016.		
(c) Buyer's Credit (in foreign currency) is due for roll over between June and August, 2016 and carries interest rate of 0.66% p.a.-1.60% p.a. and Supplier's Credit (in foreign currency) is due for payment in April, 2016 and carries interest rate of 1.65% p.a.-1.67% p.a.. The Company has an option on due date, to convert the said Buyer's and Supplier's Credit into Rupee Term Loan sanctioned by banks and accordingly the said Buyer's and Supplier's Credit are classified under Long-term Borrowings.		
Unsecured from :		
Unsecured Suppliers Credit is repayable in nine equal half yearly installments from June, 2016 and carries interest rate of 1.42% p.a.		
6. DEFERRED TAX LIABILITIES (NET)		
(a) Deferred Tax Liability		
Depreciation and Amortisation on Fixed Assets	650.00	443.00
	<u>650.00</u>	<u>443.00</u>
(b) Deferred Tax Assets		
Provision for Doubtful Trade Receivables	4.56	3.34
Taxes/Expenses allowable for Tax purpose when paid	123.44	62.66
	<u>128.00</u>	<u>66.00</u>
Net Deferred Tax Liability	<u>522.00</u>	<u>377.00</u>
7. LONG-TERM PROVISIONS		
Provision for Employee Benefits		
- Compensated Absences	144.47	122.69
- Pension	21.33	21.89
	<u>165.80</u>	<u>144.58</u>



	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs
8. SHORT-TERM BORROWINGS		
Working Capital Loans/Cash Credits from Banks (Secured)		
Cash Credit Facilities	2019.69	1012.08
Buyer's Credit (In Foreign Currency)	854.25	882.76
Export Packing Credit	1059.24	1791.12
Invoice Financing	775.00	-
	4708.18	3685.96
Other Short-term Loans (Unsecured)		
From Bodies Corporate (Repayable on Demand)	-	700.00
	-	700.00
	4708.18	4385.96
<p>(a) Working capital loans/cash credit facilities from banks being working capital credit facilities, sanctioned by banks are renewable within twelve months from the date of sanction or immediately previous renewal, unless otherwise stated. The lender bank has a right to cancel the credit limits (either fully or partially) and, inter alia, demand repayment in case of non-compliance of terms and conditions of sanctions or deterioration in the loan account in any manner.</p> <p>(b) Working capital loans (both fund and non-fund based) from State Bank of India (SBI), State Bank of Patiala (SBP), IDBI Bank Ltd. and HDFC Bank Ltd. are secured by way of hypothecation of stock of inventories, cash and other current assets, book debts, outstanding moneys, receivables, claims, etc., both present and future, and are further secured by way of hypothecation of movable fixed assets, both present and future, ranking pari-passu inter se and first charge created by way of joint mortgage by deposit of title deeds of certain immovable properties of the Company. As a collateral security, the credit facilities excluding those of HDFC Bank Ltd. also backed by a cross corporate guarantee of Vindhya Telelinks Limited, a joint venturer.</p>		
9. TRADE PAYABLES		
(A) Payable to Micro Enterprises and Small Enterprises		
(i) the principal amount and interest due thereon remaining unpaid to any supplier	301.91	182.36
Principal amount	-	-
Interest thereon	-	-
(ii) the amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006., along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprise Development Act, 2006.	-	-
(iv) the amount of interest accrued and remaining unpaid.	-	-
(v) the amount of further interest remaining due and payable in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
(B) Other Payables	5257.25	4542.34
	5559.16	4724.70
10. OTHER CURRENT LIABILITIES		
Current Maturities of Long-term Borrowings	342.47	68.80
Interest Accrued but not due on Borrowings	17.95	10.96
Other Payables		
Assigned Creditors	-	886.57
Mobilisation and Other Advances from Customers	167.25	313.38
Statutory Dues	151.47	190.47
Accrued Employee Benefits Expense	31.10	30.07
Liability for Capital Expenditure	143.95	170.02
Unclaimed Dividend*	19.39	9.72
	873.58	1679.99

*This does not include any amount due and outstanding to be credited to Investors Education and Protection Fund.



	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs
11. SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity	8.41	8.69
Compensated Absences	24.34	21.67
Pension	2.79	2.79
Others	63.96	13.78
Provision for Income Tax (Net of Advance)	62.29	62.29
Proposed Dividend on Equity Shares	300.00	300.00
Tax on Dividend on Equity Shares	61.07	61.07
	522.86	470.29

	Rs. in lacs								
	Gross Block			Depreciation / Amortisation			Net Block		
Nature of Fixed Assets	As at 1 st April, 2015	Additions	Deductions/ Adjustment during the year	As at 31 st March, 2016	As at 1 st April, 2015	For the year	Deductions during the year	As at 31 st March, 2016	As at 31 st March, 2015
(A) TANGIBLE ASSETS:									
Leasehold Land	24.35	-	-	24.35	8.75	0.41	-	9.16	15.60
Buildings	1072.15	8.72	-	1080.87	580.24	25.82	-	606.06	491.91
Plant & Equipments*	10574.77	2683.28	539.30	12718.75	7058.07	665.82	512.29	7211.60	3516.70
Office Equipments	48.83	12.59	-	61.42	31.29	10.02	-	41.31	17.54
Furniture & Fixtures	84.46	5.85	-	90.31	55.22	4.95	-	60.17	29.24
Vehicles	76.34	34.64	13.97	97.01	40.23	9.99	11.81	38.41	36.11
TOTAL (A)	11880.90	2745.08	553.27	14072.71	7773.80	717.01	524.10	7966.71	4107.10
(B) INTANGIBLE ASSETS:									
Computer Software	23.06	-	-	23.06	23.06	-	-	23.06	-
TOTAL (B)	23.06	-	-	23.06	23.06	-	-	23.06	-
(C) CAPITAL WORK-IN-PROGRESS (at cost):									
Under installation/ commissioning	-	-	-	-	-	-	-	-	49.55
In transit	-	-	-	-	-	-	-	-	43.81
TOTAL (C)	-	-	-	-	-	-	-	-	93.36
TOTAL (A+B+C)	11903.96	2745.08	553.27	14095.77	7796.86	717.01	524.10	7989.77	4200.46
Previous Year	11537.05	941.72	574.81	11903.96	7688.86	597.52	489.52	7796.86	4107.10

*Refer Note No. 32

	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs
13. NON-CURRENT INVESTMENTS		
Trade Investments (Valued at Cost)		
Quoted - Fully paid up Equity Shares of Rs. 10/- each		
1,893,374 (1,107,407) Universal Cables Limited*	1804.88	1404.04
280 (280) Birla Corporation Limited	0.13	0.13
100 (100) Vindhya Telelinks Limited	0.06	0.06
Aggregate amount of Quoted Investments	1805.07	1404.23
Unquoted - Fully paid up Equity Shares of Rs. 10/- each		
9,90,000 (-) Birla Visabeira Private Limited	99.00	-
9,800 (9,800) Universal Telelinks Private Limited	0.98	0.98
9,800 (9,800) Universal Electricals Private Limited	0.98	0.98
Aggregate amount of Unquoted Investments	100.96	1.96
	1906.03	1406.19
Aggregate Market Value of Quoted Investments	1402.73	424.12

* The Company received a Letter of Allotment confirming allotment of 7,85,967 equity shares on 20th October, 2015, subscribed in the Rights Issue of Universal Cables Ltd. (UCL) out of which 2,32,263 equity shares are pending to be credited to Company's designated demat account, in view of the status-quo Order passed by the Hon'ble High Court of Delhi on 18th November, 2015, as intimated by UCL.



	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs
14. LONG-TERM LOANS AND ADVANCES (Unsecured and Considered Good)		
Capital Advances	6.69	327.43
Loans and Advances to Employees	5.84	5.46
Loan to a Related Party (Due from the Manager and Chief Executive Officer)	5.18	6.08
Security Deposits	131.32	117.74
Advance Income Tax/Tax Deducted at Source (Net)	37.06	0.39
MAT Credit Entitlement	351.55	189.19
	537.64	646.29
15. OTHER NON-CURRENT ASSETS		
Non-current Bank Balances		
In term Deposit Accounts	31.26	121.66
(Term Deposit receipts are under lien with Banks towards margin money)	31.26	121.66
16. INVENTORIES [Refer Note No. 2(j) for Mode of Valuation]		
Raw Materials [including in Transit Rs.368.31 lacs (Rs. 428.27 lacs)]	2648.96	2273.12
Packing Materials	120.80	109.90
Stores and Spares	113.57	158.59
Traded Goods	2.74	2.78
Work-in-Process (Refer Note No. 24)	1521.34	1538.28
Finished Goods	51.85	282.75
Scrap Materials	4.86	11.11
	4464.12	4376.53
17. TRADE RECEIVABLES (Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	253.00	927.10
Considered Doubtful	13.81	9.74
	266.81	936.84
Others		
Considered Good	7320.08	7241.03
	7586.89	8177.87
Less: Provision for Doubtful Trade Receivables	13.81	9.74
	7573.08	8168.13
18. CASH AND CASH EQUIVALENTS		
Cash & Bank Balances		
Cash on Hand	2.72	1.00
Cheques, Drafts on Hand	37.01	81.11
Balance with Banks		
-In Current Accounts	771.17	10.55
-In Unpaid Dividend Account	19.39	9.72
	830.29	102.38
Other Bank Balances		
-In Term Deposit Accounts (Term Deposit Receipts are under lien with Banks towards Margin against Letter(s) of Credit, Bank Guarantees and other Commitments)	284.17	1038.07
	1114.46	1140.45
Less : Term Deposit Account having more than 12 months maturity at the year end (Disclosed under Note No. 15)	31.26	121.66
	1083.20	1018.79



	As at 31 st March, 2016 Rs. in lacs	As at 31 st March, 2015 Rs. in lacs
19. SHORT-TERM LOANS AND ADVANCES (Unsecured and Considered Good)		
Loans and Advances to Employees	8.86	7.97
Loan to a Related Party (Due from the Manager and Chief Executive Officer)	0.90	0.90
Security Deposits	0.48	-
Advance Income Tax/Tax Deducted at Source (Net)	47.70	42.19
Excise Duty Refund Receivables	192.89	275.23
Advances Recoverable in Cash or in Kind	566.59	566.62
	817.42	892.91
20. OTHER CURRENT ASSETS		
Interest Accrued but not due on Term Deposits	29.93	38.59
Claims, Export Benefits etc.	592.45	937.89
Unamortised Premium on Forward Contracts	3.01	0.17
Assets Held for Sale/Disposal (at lower of net book value and net realisable value)	18.58	19.50
	643.97	996.15
	For the year ended 31st March, 2016 Rs. in lacs	For the year ended 31st March, 2015 Rs. in lacs
21. REVENUE FROM OPERATIONS		
Sale of Products		
Telecommunications Cables	26860.73	27953.98
Other Wires & Cables	75.07	113.57
Traded Goods*	33.24	220.01
	26969.04	28287.56
Other Operating Revenue		
Scrap Materials	155.40	190.86
Processing & Job Work Income	44.88	54.07
Export Incentives	145.26	381.51
	345.54	626.44
	27314.58	28914.00
*None of these individually account for more than 10% of total revenue from sale of products.		
22. OTHER INCOME		
Interest Income	245.81	205.76
Dividend Income on Non-current Investments	0.02	0.02
Foreign Exchange Rate Fluctuation (Net)	-	166.75
Unspent Liabilities/Sundry Balances Written Back (Net)	8.81	-
Other Non Operating Income	11.65	0.21
	266.29	372.74



	For the year ended 31 st March, 2016 Rs. in lacs	For the year ended 31 st March, 2015 Rs. in lacs
23. COST OF RAW MATERIALS CONSUMED		
Opening Stock	2273.12	3296.15
Add: Purchases [Less : Sales and Claims Rs. 294.13 lacs (Rs.1645.21 lacs)]	18200.71	18356.61
	<u>20473.83</u>	<u>21652.76</u>
Less: Closing Stock	2648.96	2273.12
	<u>17824.87</u>	<u>19379.64</u>
Details of Raw Materials Consumed		
Optical Fibre	7073.85	9240.05
Copper	2071.27	1820.71
Polyethylene	3623.11	3355.77
Others*	5056.64	4963.11
	<u>17824.87</u>	<u>19379.64</u>
* None of these individually account for more than 10% of total cost of materials consumed.		
24. (INCREASE)/DECREASE IN INVENTORIES ON FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS, ETC.		
Closing Inventories		
Work-in-Process*	1521.34	1538.28
Finished Goods	51.85	282.75
Traded Goods	2.74	2.78
Scrap Materials	4.86	11.11
	<u>1580.79</u>	<u>1834.92</u>
Opening Inventories		
Work-in-Process*	1538.28	1685.09
Finished Goods	282.75	131.35
Traded Goods	2.78	0.68
Scrap Materials	11.11	45.01
	<u>1834.92</u>	<u>1862.13</u>
	<u>254.13</u>	<u>27.21</u>
*Work-in Process materially pertain to Telecommunication Cables		
25. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus and Benefits, etc.	1215.32	1040.12
Contribution to Provident and Other Funds, etc.	117.46	102.83
Welfare Expenses	85.56	77.93
	<u>1418.34</u>	<u>1220.88</u>
26. FINANCE COSTS		
Interest Expense	547.55	646.14
Other Borrowing Costs	104.53	184.10
	<u>652.08</u>	<u>830.24</u>



	For the year ended 31 st March, 2016 Rs. in lacs	For the year ended 31 st March, 2015 Rs. in lacs
27. OTHER EXPENSES		
Consumption of Stores and Spares	119.06	87.62
Packing Materials	702.29	661.50
Processing/Job Work and Testing Charges	75.46	161.00
Power and Fuel	466.63	414.13
Freight and Transportation (Net)	284.91	333.33
Rent (Net)	64.59	46.08
Repair & Maintenance		
- Plant & Equipments	229.12	225.55
- Buildings	68.85	53.05
- Others	3.07	3.31
Insurance	39.12	16.34
Rates & Taxes	27.35	25.11
Travelling and Conveyance	167.33	142.39
Payment to Auditors		
Statutory Auditors		
- Audit Fees	8.00	7.00
- Tax Audit Fee	1.00	0.60
- Quarterly Reviews	2.25	1.50
- Taxation Matters	1.25	0.25
- Certification, etc.	1.30	1.50
- Reimbursement of Expenses	0.47	0.52
Cost Auditors		
- Audit Fees	0.50	0.40
- Certification, etc.	0.06	0.06
- Reimbursement of Expenses	-	0.23
Provision for Doubtful Debts and Advances	4.07	9.74
Sundry Advances/Bad Debts Written Off	-	43.18
Loss on Sale/Disposal/Discard of Fixed Assets (Net)	0.88	4.34
Foreign Exchange Rate Fluctuation (Net)	18.14	-
Excise Duty on Increase/(Decrease) in Stocks	(23.81)	12.68
Miscellaneous Expenses	562.59	436.39
	2824.48	2687.80

28. Earnings Per Equity Share (EPS):

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Basic/Weighted Average Number of Equity Shares outstanding during the year	30000000	30000000
Profit for the year (Rs. in lacs)	848.00	1249.60
Nominal value of Equity Share (Rs.)	10.00	10.00
Basic and Diluted EPS (Rs.)	2.83	4.17

29. Contingent Liabilities and Commitments (to the extent not provided for):

(a) Contingent Liabilities:

- Claims against the Company not acknowledged as debt Rs. Nil (Rs. 0.32 lac).
- Disputed Sales tax claim under appeal Rs.108.58 lacs (Rs.108.58 lacs).
- The Company has an ongoing process for collection and submission of the relevant declaration forms under the Sales Tax Act to the concerned authorities and the Company does not foresee any liability in this regard.



- (iv) Bills of Exchange under Letter of Credit discounted with a bank and outstanding at the end of the year Rs. 830.15 lacs (Rs. 380.31 lacs).
- (v) Cross Corporate Guarantee given in connection with Loan/Credit facilities aggregating to Rs.148461.00 lacs (outstanding as on 31st March, 2016, Rs. 47838.47 lacs) to a joint venture [Refer Note No.43(a)].

The future cash outflow in respect of items (i) to (ii) above is determinable only on receipt of the decisions/ judgements in the cases pending at various forums and authorities concerned.

(b) Commitments:

- (i) Estimated amount of contracts remaining to be executed on Capital Account (Net of advances) and not provided for Rs. 35.79 lacs (Rs.1739.43 lacs)
- (ii) Derivatives related commitments are disclosed in Note No. 35.

30. Exceptional Item for the year ended 31st March, 2016, amounting to Rs. 477.52 lacs, represents settlement of claim(s) of an overseas supplier through an out of court settlement of various long standing disputes/claims pending in different courts in India and Arbitration in Japan.
31. The Company is eligible for certain incentives in respect of its investment in plant and machinery towards expansion/ technical upgradation of the OFC Unit pursuant to confirmation received under the Industrial Promotion Policy, 2014 read with Madhya Pradesh Nivesh Protsahan Yojna, 2014 of the Government of Madhya Pradesh. Accordingly, the Company is eligible, inter alia, VAT and CST assistance by way of reimbursement (Net of input tax rebate on the amount of VAT and CST) effective from 27th October, 2015, for a period of 10 years, subject to compliance with certain conditions attached thereto. The same shall be appropriately dealt with in the Books of Account as and when the Company's claim for reimbursement from time to time during the eligibility period is formally approved by the designated competent authority of the State Government.
32. The Company has exercised option provided in Para - 46A of Accounting Standard - 11 on "Effects of Changes in Foreign Exchange Rates" with regard to the treatment of foreign exchange fluctuation on long term monetary liabilities relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets. This has resulted in increase in profit by Rs.110.24 lacs (net of depreciation of Rs.3.64 lacs) for year ended 31st March, 2016.
33. In the opinion of the management, the decline in the market value of a quoted Non-current Investment (trade) (carrying cost Rs.1804.88 lacs) by Rs.403.78 lacs (Rs.981.56 lacs) at the year end is temporary, in view of the strategic long term nature of the investment and assets base/intrinsic worth of the investee company and hence, does not call for any provision there against.
34. During the previous year, a fire accident occurred in the factory premises on October 27, 2014. The Company has lodged claim with the Insurance Company towards value of raw material damaged, replacement value of damaged equipments and expenses incurred on repairing of building. The Surveyor has filed interim report with the Insurance Company. Pending settlement of final claim, during the financial year the Company has received on account payment of Rs. 500.00 lacs from the insurer. The Management is hopeful of settlement and recovery of remaining claim amount.
35. **Foreign Currency Exposures as at the Balance Sheet date:**

- (a) The Company uses forward exchange contracts to hedge its exposure in foreign currency. The details of foreign currency exposures hedged by derivative instruments and those have not been hedged are as follows:

Particulars	As at 31 st March, 2016			As at 31 st March, 2015		
	In Foreign Currency		Rs. in lacs	In Foreign Currency		Rs. in lacs
Forward Exchange Contracts Outstanding						
Borrowings						
Short-term	USD	82080	54.80	USD	-	-
Payables	USD	671246	449.06	USD	112506	71.09
Total	USD	753326	503.86	USD	112506	71.09
Others						
Borrowings						
Long-term	USD	202000	134.88	USD	-	-
	EUR	2045000	1,549.70	EUR	570000	389.99
Short-term	USD	1116165	745.26	USD	1233865	778.08
	EUR	71500	54.18	EUR	153000	104.68

Particulars	As at 31 st March, 2016			As at 31 st March, 2015		
	In Foreign Currency	Rs. in lacs		In Foreign Currency	Rs. in lacs	
Other Payables	USD	604230	404.03	USD	1047140	661.68
	EUR	159794	121.32	EUR	39936	27.36
	GBP	-	-	GBP	96845	90.72
Receivable	USD	738741	486.61	USD	1438336	894.44
	EUR	17540	13.29	EUR	350553	234.48
Bank Balances	USD	114	0.07	USD	155	0.10
Total	USD	2661250	1770.85	USD	3719496	2334.30
	EUR	2293834	1738.49	EUR	1113489	756.51
	GBP	-	-	GBP	96845	90.72

- (b) A sum of Rs. 3.01 lacs (Rs. 0.17 lac) on account of unamortised foreign exchange premium on outstanding Forward Contracts is being carried forward to be debited to the Statement of Profit and Loss of the subsequent period.

36. Employee Benefits Plans:

(a) Defined Benefit Plans:

The Company's defined benefit plans include the approved funded Gratuity Scheme which is administered through Group Gratuity scheme with The Life Insurance Corporation of India and non-funded Pension Scheme (applicable only to certain categories of employees). Such defined benefits are provided for in the Statement of Profit and Loss based on valuations, as at the Balance Sheet date, made by independent actuaries. Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2016 are summarised below:

- (i) Amount recognised in the Statement of Profit and Loss :

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2015-16 Rs.in lacs	2014-15 Rs.in lacs	2015-16 Rs.in lacs	2014-15 Rs.in lacs
Current Service Cost	15.64	13.92	-	-
Interest Cost on Benefit Obligation	15.47	12.25	1.59	1.47
Expected Return on Plan Assets	(17.69)	(14.70)	-	-
Net Actuarial (Gain)/Loss Recognised in the year	7.57	24.28	0.64	3.04
Net Employee Benefits Expense	20.99	35.75	2.23	4.51
Actual Return on Plan Assets	(17.46)	(14.72)	-	-

- (ii) Amount recognised in the Balance Sheet:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs.in lacs	As at 31st March, 2016 Rs.in lacs	As at 31st March, 2015 Rs.in lacs
Defined Benefit Obligation	232.20	200.40	24.12	24.68
Paid by Group Company	(1.83)	(3.54)	-	-
Fair Value of the Plan Assets	221.96	188.17	-	-
Net Asset/(Liability)	(8.41)	(8.69)	(24.12)	(24.68)

- (iii) Changes in present value of the Defined Benefit Obligation :

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs.in lacs	As at 31st March, 2016 Rs.in lacs	As at 31st March, 2015 Rs.in lacs
Opening Defined Benefit Obligation	200.40	162.25	24.68	22.96
Interest Cost	15.47	12.25	1.59	1.47
Current Service Cost	15.64	13.92	-	-
Benefit Paid	(6.66)	(12.31)	(2.79)	(2.79)
Actuarial (Gain)/Loss on Obligations	7.35	24.29	0.64	3.04
Closing Defined Benefit Obligation	232.20	200.40	24.12	24.68



(iv) Changes in the Fair Value of Plan Assets:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs.in lacs	As at 31st March, 2016 Rs. in lacs	As at 31st March, 2015 Rs.in lacs
Opening Fair Value of Plan Assets	188.17	162.53	-	-
Expected Return	17.69	14.70	-	-
Contribution by Employer	22.99	23.23	-	-
Benefits Paid	(6.66)	(12.31)	(2.79)	(2.79)
Actuarial Gain/(Loss)	(0.23)	0.02	-	-
Closing Fair Value of Plan Assets	221.96	188.17	-	-

- (v) The major category of plan assets in case of funded gratuity scheme as a percentage of the fair value of total plan assets :

Particulars	Gratuity (%)	
	2015-16	2014-15
Investments with Insurer	100	100

The overall expected rate of return on assets is determined based on the actual rate of return during the current year. The Company expects to contribute Rs. 30.00 lacs to Gratuity Fund during the financial year 2016-17.

- (vi) The principal assumptions used in determining gratuity and pension obligations for the Company's plans :

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
Mortality Table	IAL 2006-08 Ultimate	IAL 2006-08 Ultimate	LIC1996-98 Ultimate	LIC 1996-98 Ultimate
Attrition Rate	5.00% p.a.	5.00% p.a.	N.A.	N.A.
Imputed Rate of Interest	7.85% p.a.	7.85% p.a.	7.80% p.a.	7.80% p.a.
Salary Rise	7.50% p.a.	7.50% p.a.	N.A.	N.A.
Return on Plan Assets	9.01% p.a.	8.75% p.a.	N.A.	N.A.
Remaining Working Life	14.45 years	14.58 years	N.A.	N.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Information relating to experience adjustments to plan assets and liabilities as required under para120 (n) (ii) of the Accounting Standard (AS-15) (revised) on employee benefits is not available with the Company. The impact of the same is not material.

(b) **Defined Contribution Plans:**

Company's contribution to defined contribution schemes such as Government administered Provident/Family Pension Fund and approved Superannuation Fund are charged to the Statement of Profit and Loss as incurred. The Company has no further obligations beyond its contributions.

The Company has recognised the following contributions to Provident/Family Pension and Superannuation Funds as an expense and included in employee benefits expense in the Statement of Profit and Loss.

Sl. No.	Defined Contributions Schemes	2015-16 Rs.in lacs	2014-15 Rs.in lacs
(i)	Contribution to Provident and Family Pension Fund	71.83	60.55
(ii)	Contribution to Superannuation Fund	20.64	18.77

37. Segment Information :

- (a) The Company has only one reportable primary business segment. Hence, no separate segment wise information of revenue, results and capital employed is given.



- (b) The following table shows the distribution of Company's Revenue from Operations by geographical market, regardless of where the goods were produced:

Sl. No.	Geographical Segments	2015-16 Rs.in lacs	2014-15 Rs.in lacs
(i)	Domestic Market (within India)	19447.00	21467.02
(ii)	Overseas Market (outside India)	5531.37	4922.63
	Total	24978.37	26389.65

All the assets of the Company, except the carrying amount of trade receivables aggregating to Rs. 485.10 lacs (Rs. 888.34 lacs), are within India.

38. Disclosures in respect of Related Parties as defined in Accounting Standard (AS-18), with whom transactions were carried out in the ordinary course of business during the year are given below:

Venturers in respect of which the : Universal Cables Ltd. (**UCL**)
Company is a joint venture Vindhya Telelinks Ltd. (**VTL**)
Ericsson Cables AB, Sweden (**ECA**)

Enterprise over which a director is able to exercise significant influence : Shakun Polymers Ltd. (**SPL**)
Key Management Personnel : Mr. R. Sridharan, Manager & Chief Executive Officer

- (a) Transactions with related parties (other than Key Management Personnel) :

Sl. No.	Particulars	2015-16 (Rs. in lacs)				2014-15 (Rs. in lacs)			
		ECA	UCL	VTL	SPL	ECA	UCL	VTL	SPL
(i)	Sales of Fixed Asset	-	3.45	-	-	-	6.72	-	-
(ii)	Purchase of Raw Materials/ Consumable & Traded Goods	-	136.94	883.98	101.04	-	150.27	1549.31	35.39
(iii)	Sale of Products /Traded Goods	-	3.65	203.53	-	-	2.33	70.17	-
(iv)	Sale of Raw Materials / Consumables	-	4.20	240.71	-	-	1235.10	28.02	-
(v)	Processing Charges Paid	-	-	60.03	-	-	-	133.89	-
(vi)	Processing and Job work Income	-	34.22	10.66	-	-	11.38	42.69	-
(vii)	Rent Paid	-	-	0.60	-	-	-	0.60	-
(viii)	Inter Corporate Deposits Accepted	-	-	1500.00	-	-	-	370.00	-
(ix)	Inter Corporate Deposit Repaid	-	-	1500.00	-	-	-	370.00	-
(x)	Interest Paid	-	-	11.28	-	-	-	0.48	-
(xi)	Inter Corporate Deposits Granted	-	2200.00	4500.00	-	-	900.00	5109.00	-
(xii)	Inter Corporate Deposits Refunded	-	2200.00	4500.00	-	-	900.00	5609.00	-
(xiii)	Interest Received	-	96.79	78.26	-	-	77.62	40.66	-
(xiv)	Cross Corporate Guarantee Given	-	-	61774.00	-	-	-	86687.00	-
(xv)	Cross Corporate Guarantee Accepted	-	-	4700.00	-	-	-	13750.00	-
(xvi)	Investment in Equity Shares	-	400.84	-	-	-	-	-	-
(xvii)	Dividend Paid	82.50	39.00	40.00	-	82.50	39.00	40.00	-
(xviii)	Balance Outstanding at the year end								
	Non-current Investment in Equity Shares	-	1804.88	0.06	-	-	1404.04	0.06	-
	Cross Corporate Guarantee Given	-	-	148461.00	-	-	-	86687.00	-
	Cross Corporate Guarantee Accepted	-	-	18450.00	-	-	-	13750.00	-
	Receivable								
	- Sales of RM & Consumables	-	-	-	-	-	1229.16	-	-
	Payables	-	-	-	87.59	-	-	-	-
(xix)	Maximum amount of Loans and Advances Outstanding during the year	-	1500.00	1600.00	-	-	500.00	1605.00	-



(b) Transaction with Key Management Personnel :

Particulars	Mr. R. Sridharan	
	2015-16 Rs. in lacs	2014-15 Rs. in lacs
Salary & Benefits*	53.44	41.91
Loan Refunded during the year	0.90	0.90
Balance Outstanding at the year end:		
Salary Payable	4.00	-
Loan Recoverable	6.08	6.98

* As the liability of Gratuity and Leave Encashment is provided on an actuarial basis for the Company as a whole, therefore amount not included above.

- Under the renewed technical collaboration agreement with Ericsson Cables AB, Sweden, no royalty or lump sum fee is payable.
- No amount has been provided as doubtful debt or advance/written off or written back in the year in respect of debts due from/to above Related Parties.
- Transactions and balances relating to reimbursement of expenses to/from Related Parties have not been considered in the above disclosures.
- All transactions with related parties as above have been entered into at Arm's Length Basis in the ordinary course of business.
- Inter corporate loans/advances have been given for business purposes.

39. The Company has taken certain warehouses/ office premises under operating lease agreements. The lease agreements generally have an escalation clause and are renewable or cancellable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreements. The aggregate lease rental of Rs. 53.51 lacs (Rs. 31.46 lacs) are charged to the Statement of Profit and Loss.

In respect of an office premise taken on operating lease by the Company, the Company had charged to the Statement of Profit and Loss Rs.10.63 lacs (Rs. 23.95 lacs). [Net of rent recovered of Rs. 85.32 lacs(Rs. 20.95 lacs)].

40. There is no Impairment of Assets during the year.

41. Disclosure on Corporate Social Responsibility Expenses:

- Gross amount required to be spent by the Company during the year in pursuance to the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder –Rs.23.10 lacs (Rs.4.57 lacs).
- Amount spent during the year 2015-16 and included under Miscellaneous Expenses in the Statement of Profit and Loss (Refer Note No. 27).

(Rs. in lacs)

Sl. No.	Particulars	Spent in Cash	Yet to be spent in Cash	Total
(i)	Construction/Acquisition of any Asset	-	-	-
(ii)	Other Purposes - Contribution to an approved/registered trust 'Madhav Prasad Priyamvada Birla Apex Charitable Trust' in which a director and his relatives are trustees.	25.00	-	25.00

42. Additional information by way of notes pursuant to ScheduleIII to the Companies Act, 2013:

- Value of Imports on CIF basis:

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Raw Materials	6238.28	4797.89
(ii)	Capital Goods	2229.41	617.20
(iii)	Components & Spare Parts	93.53	118.98
(iv)	Traded Goods	-	14.79



(b) Expenditure in Foreign Currency :

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Interest	36.90	14.98
(ii)	Travelling	50.70	42.98
(iii)	Others (including Rs. 477.52 lacs for Exceptional Item as referred to in Note No. 30)	630.04	92.11

(c) Total value of all imported and indigenous Raw Materials and Components & Spare Parts consumed and percentage thereof:

Sl. No.	Particulars	2015-16		2014-15	
		Value Rs. in lacs	% to Total	Value Rs. in lacs	% to Total
(i)	Raw Materials				
	Imported	6253.45	35.08	5541.87	28.60
	Indigenous	11571.42	64.92	13837.77	71.40
	Total	17824.87	100.00	19379.64	100.00
(ii)	Components & Spares Parts*				
	Imported	105.13	47.08	68.14	38.40
	Indigenous	118.18	52.92	109.33	61.60
	Total	223.31	100.00	177.47	100.00

*Grouped under "Consumption of Stores & Spares" and "Repairs & Maintenance of Plant & Equipments" vide Note No. 27.

(d) Earnings in Foreign Exchange (on accrual basis):

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Exports of Goods on FOB basis in – Foreign Currency [based on exchange rate(s) prevailing on Bill of Lading date(s)]	5383.26	4783.37
(ii)	Indian Rupees	-	0.57
(iii)	Others (Freight & Insurance)	244.51	159.51

43. Particulars of loans given, guarantee given or security provided and investment made during the year as per section 186(4) of the Companies Act, 2013.

(a) Guarantee Given:

Sl. No.	Party Name	As on 01.04.2015	As on 31.03.2016	Purpose
(i)	Vindhya Telelinks Ltd. (VTL)	86687.00	148461.00	Cross corporate guarantee given to Banks as collateral against term loan(s) and working capital credit facilities granted to VTL by banks.
(ii)	Corning Technologies India Pvt. Ltd.	3000.00	Nil	Corporate guarantee given to body corporate against supply of a Raw Material to VTL on open credit basis.

*The Company has also accepted cross corporate guarantee from VTL of Rs. 18450.00 lacs against total credit facilities availed from the banks.

(b) Investments/loan made during the year: Refer Note No. 13 and Note No. 38.

**44. Remittance in Foreign Currency on account of Dividend**

The Company has paid dividend in respect of share held by Non-resident on repatriation basis. The total amount remitted in this respect is as under:

Sl. No.	Particulars	2015-16 Rs. in lacs	2014-15 Rs. in lacs
(i)	Number of Non-residents Shareholder	1	1
(ii)	Number of Equity Share held by them	8250000	8250000
(iii)	Amount of Dividend Paid	82.50	82.50
(iv)	Year to which Dividend Relates	2014-15	2013-14

- 45.** The Company has regrouped/reclassified previous year's figures to conform to current year's classification/disclosures. The figures in brackets are those in respect of the previous accounting year.

As per our attached report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 109208W

R .Raghuraman
Partner
Membership No.081350

New Delhi, May 18, 2016

Signature to Notes 1 to 45

Harsh V.Lodha (DIN: 00394094)	}	Chairman
D.R.Bansal (DIN: 00050612)		
R.C.Tapuriah (DIN: 00395997)	}	
Aravind Srinivasan (DIN: 00088037)		
Arun Kishore (DIN: 00177831)		Directors
K.Raghuraman (DIN: 00320507)		
Archana Kapoor (DIN: 01204170)		
R.Sridharan		Manager & CEO
Somesh Laddha		DGM (Finance & Accounts) & Secretary

New Delhi, May 18, 2016



BIRLA ERICSSON OPTICAL LIMITED
FORM FOR UPDATION/REGISTRATION OF E-MAIL ADDRESS

[In terms of Circular No.17/2011 dated 21.04.2011 issued by the Ministry of Corporate Affairs]

Link Intime India Pvt. Ltd.
[Unit: Birla Ericsson Optical Limited]
C-13, Pannalal Silk Mills Compound
L.B.S. Marg
Bhandup (West)
MUMBAI – 400 078

Dear Sir,

Sub: Registration of E-mail Address

I hereby update/register my e-mail address provided below for receiving the Notices, Annual Report and Accounts and other documents from the Company through electronic mode:

E-mail Address : _____

Name of the Sole/First Holder : _____

DP ID/Client ID/Registered Folio No. : _____

Registered Address : _____

#Contact No.(s):

Mobile : _____

Land Line (with STD Code) : _____

#optional

Signature of the Sole/First Holder

Date : _____

Place : _____

Notes:

- (1) The Notices, Annual Report and Accounts and other documents are sent in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the remaining Shareholders.
- (2) This Form can also be downloaded from the Company's website www.birlaericsson.com under the section 'Investor Relation'.
- (3) Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

BIRLA ERICSSON OPTICAL LIMITED

CIN: L31300MP1992PLC007190

Registered Office:

Udyog Vihar, P.O.Chorhata, Rewa - 486 006 (M.P.), India

Telephone No. (07662) 400580 • Fax No. (07662) 400680

E-mail: headoffice@birlaericsson.com • Website: www.birlaericsson.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered address	
E-mail Id	
Folio No/DP Id/Client Id	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

1. Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him;
2. Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him;
3. Name: _____ Address: _____
E-mail Id: _____ Signature: _____.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting of the Company, to be held on Friday, August 19, 2016 at 10.00 a.m. at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa-486 006(M.P.), India and at any adjournment thereof in respect of the following resolutions:

Ordinary Business		*For	*Against
1.	Adoption of audited Financial Statements of the Company for the year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon.		
2.	Declaration of Dividend on Equity Shares.		
3.	Re-appointment of Mr.D.R.Bansal as a Director, who retires by rotation.		
4.	Ratify re-appointment of Messrs V.Sankar Aiyar & Co., Chartered Accountants as Auditors and fix their remuneration.		
Special Business			
5.	Authority to the Board of Directors pursuant to Section 186 of the Companies Act, 2013 for making/ giving Loan/Guarantees or providing securities and /or making investments.		
6.	Place of keeping Register of Members, Index of Members, etc. pursuant to Section 94 of the Companies Act, 2013.		
7.	Approval for change of name of the Company from "Birla Ericsson Optical Limited" to "Birla Cable Limited".		
8.	Alteration in the Memorandum of Association of the Company.		
9.	Adoption of new set of Articles of Association of the Company based on Table-F of Schedule I of the Companies Act, 2013.		
10.	Ratification of Remuneration payable to Cost Auditors for the year ending March 31, 2017.		

Signed this _____ day of _____ 2016

Signature of Shareholder : _____

Signature of Proxy holder(s) : _____

Affix
Revenue
Stamp

NOTES:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company at Udyog Vihar, P.O. Chorhata, Rewa-486 006 (M.P.), India, not less than FORTY EIGHT (48) hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Twenty Fourth Annual General Meeting.
- * 3. It is optional to put a '✓' in the appropriate column against the resolutions indicated above. If you leave 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

BIRLA ERICSSON OPTICAL LIMITED

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Email: headoffice@birlaericsson.com • Website: www.birlaericsson.com

ATTENDANCE SLIP TWENTY FOURTH ANNUAL GENERAL MEETING Date of Meeting - August 19, 2016

Folio No. /DP Id/Client Id	
Name and Address of the Shareholder/ Proxy/Authorised Representative	
No. of Shares held	

I certify that I am Member/Proxy for the Member(s) of the Company.

I hereby record my presence at TWENTY FOURTH ANNUAL GENERAL MEETING of Birla Ericsson Optical Limited being held on Friday, August 19, 2016 at 10.00 a.m. at Udyog Vihar, P.O. Chorhata, Rewa – 486 006 (M.P.).

Signature of the Shareholder/Proxy/Authorised
Representative present.

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Note(s):

- (1) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover it at the entrance duly signed.
- (2) Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.
- (3) Only Shareholders of the Company and/or their proxy will be allowed to attend the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING

✂.....

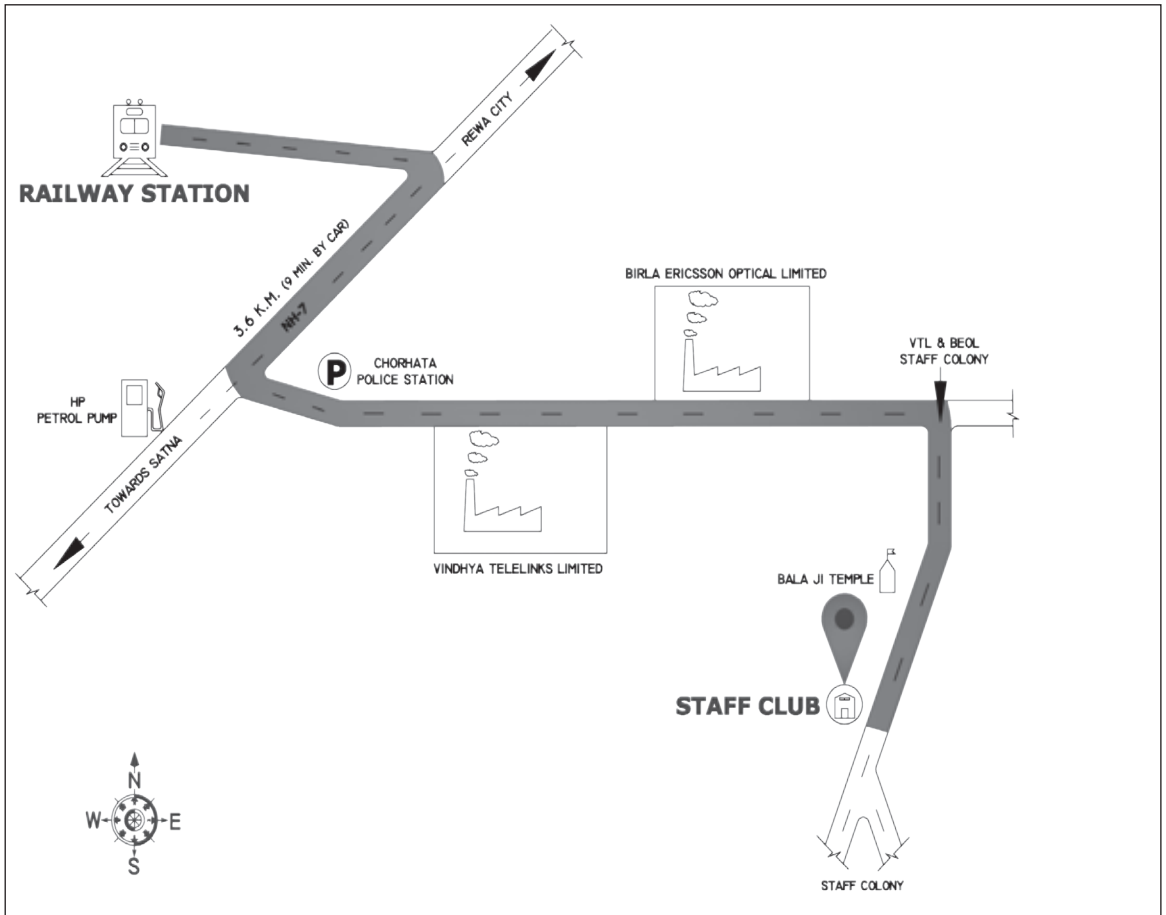
REMOTE ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	Default PAN/Sequence No.
160711016	*

* Only Members who have not updated their PAN with Company / Depository Participant shall use default PAN (10 digit sequence number) which is printed on the address sticker at TOP RIGHT SIDE IN BOLD.

NOTE: For remote e-voting, please read the instructions printed under the Note No.18 to the Notice dated July 14, 2016 of the Twenty Fourth Annual General Meeting. The Voting period for remote e-voting begins on August 15, 2016 at 9.00 a.m. and ends on August 18, 2016 at 5.00 p.m. The remote e-voting module shall be disabled by CDSL for voting thereafter.

ROUTE MAP FOR VENUE OF 24TH AGM





"BHAGWAN TIRUPATI BALAJI" IN THE STAFF'S TOWNSHIP AT REWA, MADHYA PRADESH



Company Participated in ECOC 2015,
held at Valencia, Spain



Company Participated in Africacom 2015,
held at Cape Town, South Africa

REGISTERED OFFICE & WORKS

Udyog Vihar,
P. O. Chorhata,
Rewa - 486 006
(Madhya Pradesh), India
Tel.: +91 7662 400580
Fax: +91 7662 400680

MARKETING OFFICES

BENGALURU

287, 15th Main, RMV Extension,
Sadashiv Nagar,
Nr. Nagasena School,
Bengaluru-560 080
Karnataka, India
Ph : +91 80 23619981
Fax: +91 80 23612484

CHENNAI

G.R Towers, 2nd Floor, 136,
Nelson Manickam Road,
Aminjikarai, Chennai - 600 0029
Tamil Nadu, India
Ph : +91 44 23746623, 23746624
Fax : +91 44 23746625

GOA

Plot No. L64A,
Verna Industrial Estate,
Verma, Salcette - 403 722
Goa, India
Ph : +91 832 6696400
Fax: +91 832 2782614

HYDERABAD

Plot No.414, Road No. 22,
Jubilee Hills, Hyderabad - 500 033
Telangana, India
Ph : +91 40 23608218, 23550183
Fax: +91 40 23553272

KOLKATA

27-B, Camac Street,
5th Floor, Kolkata - 700 016
West Bengal, India
Ph : +91 33 22805043
Fax : +91 33 22805046

MUMBAI

Sharda Terraces,
9th Floor, Plot No. 65,
Sector 11. CBD Belapur,
Navi Mumbai - 400 614
Maharashtra, India
Tel.: +91 22 41268855
Fax: +91 22 41268899

NEW DELHI

Commercial Plaza,
Second Floor, Wing-B,
Radisson Blu Hotel,
National Highway No. 8,
Mahipalpur, New Delhi - 110 037
India
Tel.: +91-11-45538800
Fax: +91 11 25616571

www.birlaericsson.com

If undelivered please return to:

BIRLA ERICSSON OPTICAL LIMITED

CIN:L31300MP1992PLC007190

Regd. Office & Works: Udyog Vihar, P. O. Chorhata, Rewa - 486 006. (M.P.), India.
Tel: +91 7662 400580, Fax: +91 7662 400680